



Daily Report

East Asia

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12 October 1994

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Japan

Kuriyama, Kantor Sign Framework Insurance Pact

OW1110150294 Tokyo KYODO in English 1454 GMT
11 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 11 KYODO—Japan and the United States on Tuesday [11 October] signed in Washington an insurance pact stemming from the bilateral trade “framework” negotiations to endorse the mutual agreement reached midnight last Friday, Finance Ministry officials said.

Ambassador to the U.S. Takakazu Kuriyama and U.S. Trade Representative Mickey Kantor signed the accord titled “Measures by the Government of Japan and the Government of the United States Regarding Insurance” as a result of the framework consultations, the officials said.

The two countries reached agreement on the insurance and government procurement sectors—two of three priority areas under the framework talks—barely in time to meet the Washington-set deadline of last Friday.

Failing accord, the U.S. was to decide whether to impose sanctions against Japan under the “Super 301” provision of a 1988 Trade Act in retaliation for “unfair” trade practices.

Under the agreement, Japan is to ease regulations governing the approval of insurance products and rates through three stages.

For the controversial nonlife, nonproperty “third sector,” which includes such insurance as nursing coverage, Japan will not allow liberalization until substantial portions of the life and nonlife areas have been deregulated, according to the agreement.

On the other hand, the U.S. is to promote the harmonization of state insurance regulations through the preparation of model insurance laws.

The two parties will meet annually, or at any time upon request of either government, to review implementation of the measures provided under the agreement.

Qualitative “objective criteria” to assess the implementation and progress of the measures include transparency and availability of standards and measures in Japan, prompt and fair review of applications and notifications in Japan, and efforts by the U.S. Government regarding U.S. market issues such as the review of applications for licenses.

Quantitative criteria are the number and ratio of approvals for new or modified products and rates in the life and nonlife sectors in Japan for foreign and Japanese insurance providers, the value of premiums by foreign insurance providers in Japan, and the share of total insurance premiums for foreign insurance providers to those for all insurance providers in Japan.

Framework Talks on Investment Begin 12 Oct

OW1210111894 Tokyo KYODO in English 1105 GMT
12 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—Japan and the United States began working-level talks here Wednesday [12 October] on ways to enhance U.S. investment in Japan.

The two-day discussions are part of economic harmonization under the bilateral trade “framework” negotiations.

The first-day session focused on deregulatory steps designed to upgrade Japan’s investment environment, a Japanese participant said.

On Thursday, the two countries will discuss regulations on mergers and acquisitions, land policy and U.S. efforts on investment in Japan, the participant said.

The talks are the third of their kind, following ones held in November last year and January this year.

The U.S. delegation is led by Alan Larson, deputy assistant secretary at the State Department, while the Japanese team is led by Risaburo Nezu, deputy director general at the Ministry of International Trade and Industry’s International Trade Policy Bureau.

Kuriyama: Clinton, Murayama To Talk at APEC

OW1210042494 Tokyo KYODO in English 0413 GMT
12 Oct 94

[FBIS Transcribed Text] Washington, Oct. 11 KYODO—Japanese Prime Minister Tomiichi Murayama and U.S. President Bill Clinton will hold their talks in mid-November when they visit Indonesia for a meeting of the Asia-Pacific Economic Cooperation (APEC) forum, the Japanese ambassador to Washington said Tuesday [11 October].

It will be the second bilateral meeting for the two leaders, following one in July during the summit meeting of the group of seven major industrialized nations in Naples, Italy.

Ambassador Takakazu Kuriyama said Murayama and Clinton will discuss a broad range of bilateral issues as well as those of the international community and topics related to the APEC meeting.

Asked whether another Japan-U.S. summit meeting on the continuing trade framework talks could be held next January or February, Kuriyama said the meeting is not planned, but he said he will not deny the possibility.

The two countries agreed in July last year to hold a summit meeting twice a year to assess the progress of negotiations under the framework talks.

Kono, Tamazawa Receive U.S. Proposal on TMD

OW1210045794 Tokyo SANKEI SHIMBUN in
Japanese 9 Oct 94 Morning Edition p 1

[By Yoshihisa Komori]

[FBIS Translated Text] Washington, 8 Oct.—The United States has formally proposed that Japan develop, produce, introduce, and even raise budgetary funds jointly for the theater missile defense (TMD) project, the biggest pending issue of Japan-U.S. defense cooperation. U.S. Defense Secretary William Perry conveyed the proposal in a recent letter to Foreign Minister Yohei Kono. In the letter, Perry also advocated a new strategic information service from the United States to Japan through the TMD project, as well as technological cooperation involving the public and private sectors of both nations.

Perry's letter was sent to Kono in mid-July, and the U.S. proposal was also conveyed to Defense Agency Director General Tokuichiro Tanazawa in mid-September.

According to a photocopy of the letter to Kono obtained by SANKEI SHIMBUN, Perry says as follows: "Japan can purchase TMD systems completed by the United States, or share those jointly developed by the two nations. The U.S. Government believes the most efficient way is to promote the TMD project through joint development, production, and introduction between the United States and Japan. This approach will expand Japan-U.S. cooperation in defense-related fields, and substantially strengthen security ties between the two nations."

Japan has been procuring U.S. weapons by purchasing completed products or production licenses. As an exceptional case, the next-generation support fighter FSX is being developed under a Japan-U.S. joint project, but this is still a Japanese project in which some U.S. companies participate. However, the United States is now asking for joint development and production of the TMD system under budgetary funds jointly raised by the two nations.

The U.S. Government believes that the TMD system is suitable for U.S. Forces in Japan, and the U.S. Defense Department is requesting budget funding to prepare for the future introduction of the system.

The U.S. Government currently has four options regarding the technical structure of TMD-based defense systems, but Perry's letter clearly discussed tangible measures for developing and producing the TMD system for the first time.

However, the U.S. Government proposal is likely to face opposition from the Congress, which usually takes a cautious attitude toward the dissemination of high technology.

Perry's letter calls for an early decision by Japan to join the project, saying Japan may lose a chance to have a significant role in the project, since TMD development is rapidly making progress in the United States. The Japanese Government has not yet determined its level of participation in the TMD project, although funding for research expenditures were incorporated in the fiscal 1995 budget request.

The letter also proposes: 1) Japanese companies' participation in the TMD project, which has already been started by U.S. companies; and 2) government-level consultations on how to develop TMD systems. To pave the way for joint development, the letter says the United States intends to offer to Japan: 1) an expanded share of strategic information that may be convenient for joint TMD development (such as information on missile threats in Japan's vicinity); 2) general information on the proliferation of weapons of mass destruction, such as nuclear weapons and missiles; 3) operational support for command, control, and communications, and combat management of Japan's TMD system; and 4) reinforced joint military training to practice TMD-related operations at the unit level.

Iraqi Diplomat Urges Support To End UN Sanctions

OW1110134794 Tokyo KYODO in English 1314 GMT 11 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 11 KYODO—Iraq's charge d'affaires in Tokyo, Ismail M. Sa'id al-Kadhi [name as received], urged Japan on Tuesday [11 October] to work for the lifting of international sanctions imposed on his country following its invasion of Kuwait four years ago, Foreign Ministry officials said.

In a meeting with Norihiro Okuda, head of the ministry's Second Middle East Section, al-Kadhi also said Baghdad has decided to withdraw its troops from the border with Kuwait in response to requests also from many friendly nations, the officials said.

In response to Iraqi troop movements toward the Kuwaiti border, the United States, wary of a repetition of the 1990 Iraqi invasion of the neighboring oil-rich sheikhdom, has started a massive military buildup in the Gulf region.

Okuda expressed Japan's concern over heightening tension along the Iraqi-Kuwait border, saying that so far an Iraqi troop withdrawal has not been confirmed.

He also urged that Baghdad respect Kuwait's sovereignty and borders in compliance with all relevant UN resolutions.

Editorial Views Iraq-Caused Tension in Gulf

OW1210084294 Tokyo NIHON KEIZAI SHIMBUN in Japanese 12 Oct 94 Morning Edition p 2

[Editorial: "Iraq Needs To Be Put Under Vigilance"]

[FBIS Translated Text] Iraq, which seeks lifting of UN economic sanctions against it, has embarked on a demonstration action by moving its massive troops along the border with Kuwait. However, in the face of strong reaction from the international community, including the United States, it has announced their withdrawal. This incident reminds the world again that Iraq, under President Husayn's rule, is still dangerous. With Iraq

moving its troops to the border with Kuwait, the UN economic sanctions against Iraq have now become even farther from being lifted. The world must think of ways to deal with the Husayn regime and the issues left over from the Gulf war.

Shortly after the Gulf war resulting from Iraq's invasion of Kuwait, the United Nations imposed economic sanctions, including an oil embargo, against Iraq and has kept them in force since 1991. Iraq claims that a long-term weapons-monitoring system, demanded by the United Nations, is expected to continue functioning in the future and conditions for lifting the economic sanctions under UN Resolution No. 687 on a lasting truce have been met.

It is believed that it is impossible to determine whether the long-term weapons-monitoring system is reliable. More important, Iraq has refused to recognize Kuwait as a sovereign state, calling it "its 19th province." Iraq has also denied a UN-demarcated borderline with Kuwait. At home, Iraq has continued to oppress dissident organizations of Kurds and Shiites.

For these reasons, the United States has opposed easing or lifting the economic sanctions against Iraq. Meanwhile, Russia, to which Iraq owes \$8 billion, and France, which supports its oil industry in making inroad into Iraq, have backed a phased lifting of the economic sanctions.

It is believed that President Husayn intended to jolt the West by moving its troops to the border with Kuwait, but his flagrantly provocative action has only made the danger of Iraq more notable than ever, thereby weakening the position of the nations that support lifting the economic sanctions. The economic sanctions are far from being lifted.

The Iraqi Government has insisted that the economic sanctions have made the people's lives difficult and that the United States is responsible for that. The general public in Iraq deserves our sympathy, but the Iraqi Government's insistence is aimed at shifting its responsibility onto other nations. It is hard to accept this insistence.

President Clinton has responded quickly and resolutely to the Iraqi movement of troops to the border with Kuwait. Former President Bush took an ambivalent attitude after failing to judge correctly President Husayn's intention to invade Kuwait in the summer of 1990. With the midterm elections scheduled to be held soon, President Clinton is probably keeping former President Bush's mistake in mind. The doubt is still lingering within the Clinton administration about why the Bush administration ended the Gulf war without dealing a fatal blow to Iraq. Such a doubt is lingering because the United States is the nation that has to deploy massive force whenever Iraq takes dangerous actions. All nations, including Japan in its bid to become a permanent member of the UN Security Council, should constantly give serious consideration to ways to cope with the Husayn regime.

Panel Seeks To Resolve 'Comfort Women' Issue

OW1210094494 Tokyo KYODO in English 0922 GMT 12 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—The ruling coalition Wednesday [12 October] set up a committee to discuss ways to express Japan's remorse over the Imperial Japanese Army's forcing tens of thousands of Asian women into military brothels during World War II.

The panel, which was set up within the three coalition parties' project team for events marking the 50th anniversary of the end of the war next year, will have to come up with concrete proposals by mid-November.

Tokyo has refused to pay government compensation to former sex slaves, known in Japan as "comfort women," on grounds that the issue of war compensation was settled with the signing of the San Francisco Peace Treaty and bilateral agreements.

Prime Minister Tomiichi Murayama has, however, suggested that other forms of redress should provide for broad participation by Japanese citizens to demonstrate the nation's repentance.

Among proposals being aired is a comfort women fund sponsored through private donations and fund-raising campaigns.

The panel will discuss how such a fund could be created and whether its money should be disbursed only to those who were forced into prostitution or other war victims as well. Nonpoliticians will also be invited to voice their opinion on the issue.

In lieu of compensation, Tokyo announced in late August it plans to spend 100 billion yen over a decade starting the coming fiscal year on exchange programs with other Asian nations as redress for wartime atrocities and wrongdoings.

Former comfort women, especially from the Philippines and South Korea, have dismissed the reparation plan—dubbed the "Peace, Friendship and Exchange Initiative"—as nonsense and have renewed their calls for direct compensation to the victims.

Historians estimate that 100,000 to 200,000 women, mostly from the Korean peninsula, were forced into sexual servitude at Japan's military brothels during Japanese occupation.

Kono Previews Nuclear Reactor Aid to DPRK

OW1210052294 Tokyo NHK General Television Network in Japanese 0300 GMT 12 Oct 94

[Announcer-read report over video; from "NHK News" program]

[FBIS Translated Text] Carrying over discussions from yesterday, the lower house Budget Committee continued deliberations today.

Foreign Minister Yohei Kono commented on the issue of helping North Korea (DPRK) convert its nuclear reactors to light-water reactors, which are difficult to divert to military use. He stressed that clearing up suspicions on past DPRK efforts to develop nuclear weapons would be the prerequisite for Japanese aid for the conversion of the reactors.

Eisei Ito, a Diet member from the Kaikaku [Renovation] group, took up the issue of converting DPRK nuclear reactors to light-water reactors, which are difficult to divert to military use. He asked whether Japanese aid would be appropriate if the United States compromises in its present talks with the North Korea, because this will leave nuclear arms behind in North Korea.

[Begin Kono recording] All procedures that will completely clear up suspicions of efforts to develop nuclear arms, including special inspections by the IAEA [International Atomic Energy Agency], will be necessary; and this will apply also to past development efforts. Such guarantees will be the primary prerequisite. I reiterate this, and declare that this is a line that allows no compromise. This is our position. [end recording]

In this connection, Ito also asked how Japan would respond if the United States asks to be allowed to use military facilities in Japan based on the Japan-U.S. security pact, during prior consultations in the case of an emergency situation on the Korean peninsula. Prime Minister Tomiichi Murayama replied that as a general principle, Japan can allow or disallow the use of such facilities if a request is made.

Spokesman Rejects Fishing Fees for Kuril Islands

OW1210122594 Tokyo MAINICHI SHIMBUN in Japanese 12 Oct 94 Morning Edition p 2

[FBIS Translated Text] "It is difficult to link fishery negotiations with relief aid to quake-stricken northern islands," Foreign Ministry Spokesman Terusuke Terada said on 11 October.

Russian First Deputy Premier Oleg Soskovets has offered to Japan fishing grounds off the islands to raise reconstruction funds with entrance fee. Commenting on this at a news conference on that day, Terada said the Japanese Government cannot accept such an offer because to pay money for entering waters off the northern islands is to recognize Russia's sovereignty over the islands.

Kono Says UNSC Seat With Veto Power Sought

OW1210075594 Tokyo KYODO in English 0744 GMT 12 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—Japan is seeking a permanent UN Security Council

membership with veto power, Foreign Minister Yohei Kono told a Diet session Wednesday [12 October].

Kono told the House of Representatives Budget Committee, "It is undesirable if some permanent Security Council members have veto power while others don't."

Prime Minister Tomiichi Murayama also told the same Diet session that Japan can cooperate with the United States by allowing the U.S. Army to use facilities in Japan if they need to when dealing with North Korea.

Asked how Japan will react should the U.S. request use of its military facilities under the U.S.-Japan Security Treaty, Murayama said, "Generally speaking, (Japan) will cooperate within the scope which the Constitution permits."

"On some occasions, yes, on other occasions, no," he said.

But Murayama showed a cautious stance toward the start of studying new legislation to deal with emergencies.

"I want to consider it with prudence, with Diet talks and the people's opinions in mind," he said.

Murayama also backed the leadership he has shown in changing the Social Democratic Party [of Japan] (SDP) [SDPJ]'s basic policy toward the bilateral security treaty and Japan's Self-Defense Forces (SDF).

"Interpretation of the Constitution should not change (according to the times)," said Murayama, also chairman of the SDP.

But he said the party had to change its policies to cope with recent international situations including the collapse of the Cold War.

The SDP reversed its previous position of opposing both to the treaty and the SDF after Murayama took power in June by forming a coalition with the Liberal Democratic Party, its archrival during the Cold War era.

Kono also denied any possibility of Japan extending financial help to North Korea before suspicions over its nuclear program are cleared.

"Operations (to clear previous suspicion over the country's nuclear program) are very important, including special inspections by the International Atomic Energy Agency (IAEA)," Kono said.

As a step to dispel North Korea's nuclear suspicions, Washington has agreed with Pyongyang to proceed with a plan to convert its graphite-type nuclear reactors to a light-water type with the help of the international community.

On economic issues, Finance Minister Masayoshi Takemura said the government is not considering at the

moment drafting a supplementary budget as measures against the yen's sharp appreciation against the U.S. dollar.

Vietnam Supports Permanent UNSC Seat Bid

OW1110122294 Tokyo KYODO in English 1155 GMT 11 Oct 94

[FBIS Transcribed Text] Hanoi, Oct. 11 KYODO—Vietnamese Premier Vo Van Kiet on Tuesday [11 October] was quoted as saying Vietnam supports Japan's bid for a permanent seat on the UN Security Council.

Former Japanese Foreign Minister Michio Watanabe, who arrived in Hanoi on Sunday for a four-day visit, told reporters that Kiet voiced the support in talks earlier in the day.

Kiet's message follows Vietnamese Foreign Minister Nguyen Manh Cam's speech to the UN General Assembly last Friday in which he called for the key decision-making Security Council to be expanded "to enhance its representativeness in the basically changed situation."

Watanabe said Kiet also urged Japan to convey to the United States his country's readiness to fully normalize diplomatic relations as early as possible, saying he fervently believes it would be to the benefit of both nations.

Kiet was quoted as saying there are no longer any obstacles to full restoration of bilateral ties, at least as far as the Vietnamese are concerned.

Watanabe also met Tuesday with Vietnamese Communist Party chief Do Muoi.

He will leave for Ho Chi Minh City on Wednesday, then proceed to Phnom Penh on Thursday for meetings with Cambodian parliamentary Speaker Chea Sim and government leaders, including Second Prime Minister Hun Sen.

The trip, which includes a stopover in Hong Kong, is Watanabe's first overseas since February last year, when he visited the U.S. as foreign minister.

Commentator Criticizes 'One-State Pacifism'

OW1210111794 Tokyo SANKEI SHIMBUN in Japanese 7 Oct 94 Morning Edition p 7

["Fair Argument" column by political commentator Taro Yayama: "Kono's UN Speech Reflects Old Perception—Arrogant Position Indicates Doctrinal Corruption"]

[FBIS Translated Text] Era Wherein Peace Should Be Maintained Within the Group

At the 27 September UN General Assembly session, Foreign Minister Yohei Kono indicated Japan's intention to seek a permanent seat on the UN Security Council [UNSC], saying: "Japan is prepared, with the

endorsement of many countries, to discharge its responsibilities as a permanent member of the Security Council" on condition that "it does not, and will not, resort to the use of force as prohibited by its Constitution."

Foreign Minister Kono's announcement of Japan's candidacy followed an agreement reached among the Liberal Democratic Party [LDP], the Social Democratic Party of Japan [SDPJ], and Sakigake [Harbinger]. However, such a way of thinking reflects the fact that the government still drags out the shadows of the Cold War era and is utterly absurd. During the Cold War era, wherein West and East confronted each other, Japan, as a member of the Western bloc, could avoid being involved in troubles by seeking shelter behind the United States, which had overwhelming power in that era. As a result, interpreting the Constitution has become a self-conceit, and Japan's position has deviated far from the international trend. The SDPJ based its unarmed neutrality policies on Article 9 of the Constitution. Meanwhile, the LDP, judging that it does not matter how the Constitution is interpreted as long as the security pact is maintained, increasingly accepted the SDPJ's interpretation of the Constitution.

However, the Cold War era ended. The world order created by the United States and Soviet Union collapsed, and now, the era wherein major influential countries are required to maintain world peace in groups has arrived. That is why an international call for allowing Germany and Japan to obtain permanent seats on the UNSC has arisen. It is questionable if the government thinks such a long-held opportunistic way of interpreting the Constitution can win the international community's understanding in the current era. Prime Minister Murayama changed his party's interpretation of the Constitution overnight and adopted a policy of recognizing the Self-Defense Forces [SDF] and of firmly maintaining the security pact. In view of this, it is justifiable to change interpretations of the Constitution in line with the change of an era.

Article 12 of the Italian Constitution (established in 1947) stipulates "the limitation of war and the promotion of world peace" and says "Italian people renounce war as a means of settling international strife." It is similar to Japan's Article 9. However, in the sixties, the Italian Socialist Party changed its interpretation of the Constitution by saying "the Article does not deny the right of collective defense." The party then recognized the Italian forces' participation in the North Atlantic Treaty Organization (NATO) and took part in a government formed by leftist and centrist parties. When the Persian Gulf war broke out, the Italian Air Force joined the allied forces.

Need for Means To Force Sanctions

Contrariwise, the Japanese Government's official interpretation of its Constitution is as follows (from the government's 1981 written answer):

"In view of international law, it is a matter of course to have the right of collective self-defense as a sovereign nation. However, the government considers that exercising the self-defense right permitted under Article 9 of the Constitution should be limited to the minimum needed for defending our country. Therefore, exercising the collective defense right goes beyond the boundary of the minimum necessity and is not constitutionally permitted."

In short, judging from this interpretation, I can say that the government's position is that, "although the United States has an obligation to help Japan, as stipulated in the Japan-U.S. Security Treaty, Japan must not help the United States; and therefore, Japan can only conclude unilateral pacts." Such a selfish position held for several decades caused the corruption of Japanese people's thinking, leading the Japanese people to have the perception that peace will be protected by others and Japanese people do not have to do anything. Arrogant thinking that was reflected in Foreign Minister Kono's recent statement, as if to say Japan can become a UNSC permanent member on condition that its activities will be limited to "nonmilitary" areas, which proves the doctrinal corruption.

On the contrary, German Foreign Minister Kinkel, speaking at the UN General Assembly session held the same day, indicated the German Government's intention to get a permanent seat on the UNSC by saying: "Thanks to a recent Constitutional Court judgment, it has become possible for Germany to fully take part in peacekeeping operations (PKO)." In the past, within Germany, there were voices saying the dispatch of forces outside NATO-covered areas was constitutionally questionable. However, through Kinkel's UN speech, Germany has made clear to the international community that it can take part in UN activities as a full-fledged nation.

There is a question as to why the 1928 antiwar pact failed to avoid World War II. The answer is that the League of Nations did not have a means to enforce sanctions against nations acting against the pact. The fact that the United States was not a League member at the time is one of the reasons. The League failed to take action against the invasion of Abyssinia by Italy, Finland by the Soviet Union, and Manchuria by Japan. Losing the significance of its existence, the League collapsed.

A conclusion of illegality and sanctions is inevitable. For the United Nations, the first post-Cold War trial was the Persian Gulf war. If the United Nations ignored a UN member nation's invasion of another member, it would be meaningless for small and weak nations to remain in the United Nations. When Iraq illegally invaded Kuwait, the international community recaptured Kuwait by imposing military sanctions against Iraq. It was a correct choice.

Constitution Conforms to UN Charter

The Constitution's doctrine completely conforms to that of the UN Charter. Those who advocate safeguarding the Constitution should critically study the Japanese Constitution's Preamble.

It says: "We desire to occupy an honored place in an international society striving for the preservation of peace, and the banishment of tyranny and slavery, oppression and intolerance for all time from the earth. We recognize that all peoples of the world have the right to live in peace, free from fear and want."

"We believe that no nation is responsible to itself alone."

I believe that the above is worth advocating as this country's lofty goal. However, it is questionable that this goal is consistent with Japan's self-centered "one-state pacifism" with which the government tries to "protect Japanese people from shedding a drop of blood." When a Japanese civilian policeman was killed on duty in Cambodia, Prime Minister Kiichi Miyazawa reportedly planned to "withdraw all Japanese PKO teams" from Cambodia. If the government takes such a position, peace in Japan will be maintained under its pacifism. However, what is the security of other nations, including Cambodia, based on?

Japan enjoys prosperity because of world peace. Maintaining the one-state pacifism of not contributing to creating world peace will cause moral corruption.

Kenichi Omae Criticizes 'Weak-Kneed' Diplomacy

OW1110123494 Tokyo YOMIURI SHIMBUN in Japanese 4 Oct 94 Morning Edition p14

[Article by Kenichi Omae, representative of Heisei Ishin no Kai (Heisei Reformation Society): "Japan's Diplomacy Lacks Vision"]

[FBIS Translated Text] Becoming a permanent member of the UN Security Council has been the Foreign Ministry's and Liberal Democratic Party's long-cherished dream. It must be a historic irony that the atmosphere now seems conducive to letting this dream come true without any trouble.

We have to recognize first that the United Nations itself is no longer functioning. The major reason is that nobody can now say "what a country is," as we can see in the collapse of the Soviet Union and Yugoslavia, and the United Nations' role as the aggregate of such nations has become unclear. Also, the balance of power—the Cold War between the United States and the Soviet Union—has collapsed, and the United Nations has fallen to become an "organization under the thumb of the United States," which can be manipulated in any way according to U.S. global strategy—no, its domestic situation. The Gulf war, for instance, was a case in point, and so is the U.S. military mission in Haiti.

In addition, the number of UN member states now exceeds 180 since many divided countries have declared independence and joined the United Nations as a "nation." The smallest UN member, the Republic of Nauru, has a population of only 8,000. More than two-thirds of the UN members are smaller than Okinawa in terms of GNP. Now, even the meaning of "majority" has become obscured.

Furthermore, after the Cold War, now that local disputes are often due to a government's oppression of a minority tribe, there is a question of whether the General Assembly, which is made up of only "government representatives," has any meaning.

UN Secretary General Butros Butros-Ghali, from Egypt which wants to become the leader of Africa, is eager to create a UN force because he wants to actively intervene in such confrontations between ethnic groups.

However, as the case of Somalia or Rwanda shows, the "UN force" concept is not compatible with the state of affairs there. Far from being welcomed, the UN troops in Somalia were repelled. The United States also sent troops to Somalia, but they beat a hasty retreat.

When UN peacekeeping forces (PKF) are sent from developed nations, they are dispatched mostly by "public opinion" as reported in the mass media.

What was the bringing of peace to Cambodia and the following "democratic" election under the supervision of UN troops all about? The situation, including Khmer Rouge activities, is no better than before because the most important person, Norodom Sihanouk, the Cambodian king, has already returned to Beijing.

There is no guarantee that Japan's diplomacy, which always leans toward the United States, will forward a sound argument on these issues and press for a major reform of the United Nations. As we can see in the Japan-U.S. trade talks, for example, Japan's diplomacy is weak-kneed; the minute the United States threatens to impose sanctions, Foreign and International Trade and Industry ministers scramble to visit the United States with concessions.

As far as I know, there is no sanction that the United States can now apply that would put Japan or Japanese firms into a difficult situation. Sectors [that are possible targets of sanction] can produce locally in the United States or switch to exports from Asian nations to the United States if they cannot export. There are many managers who think that closing down domestic plants because of U.S. pressure would be a help rather than a problem because that would give them a good reason to do so. So why do we not let the United States impose sanctions? It would show us what a paper tiger the United States is. In addition, although China has threatened Japan over Taiwan President Li Teng-hui's participation in the Asian Games in Hiroshima, Japan, we should see what kind of sanctions China can take against us.

China pressures Japan because it knows that Japan's diplomacy always compromises. If Japan is autonomous, China would also change its attitude.

The Foreign Ministry has an optimistic expectation that Japan will be respected by the world to some extent once it becomes a permanent Security Council member. What is more, to make the medicine easier to take, it says things like Japan's role as a Security Council member is "limited to nonmilitary fields" and "PKF is not yet in its scope."

Once it becomes a permanent member, then it is evident that Japan will become a "normal country" by coming up with a different argument that "we should not give up our responsibility as a permanent member," which is a correct one if that alone is considered. There is no turning back once we step onto this slippery slope.

The reason Japan is led in a wrong direction as a whole while each time bringing up an argument that seems to be correct is because the bureaucrats who take the lead do not have an outlook on a nation, nor do they have a long-term vision.

Japan has closed its eyes to the ASEAN countries' becoming conscious of themselves, as we can see in the East Asian Economic Caucus (EAEC); has listened to whatever China says for fear of its veto power; and made concessions to the United States at the Structural Impediments Initiative talks. Also, Japan has willingly increased its share of UN expenses, which are almost limitless. And when it comes to official development assistance (ODA), Japan is the number-one contributor in the world.

Although these may strengthen the Foreign Ministry's position, they will not make Japanese diplomacy itself strong; and in the long run, they will not be good for Japan, nor for the world.

Japan's contribution to the world must be to keep demonstrating that even a small, resourceless, nonmilitary country can build up a fortune by education and hard work, and to help those countries that are willing to follow this practice.

1994 ODA White Paper Outlined

952A0003A Tokyo NIHON KEIZAI SHIMBUN in Japanese 30 Sep 94 p 5

[FBIS Translated Text] The Ministry of Foreign Affairs [MOFA] announced on 29 September its "FY1994 Official Development Assistance (ODA) White Paper," which indicates the current status of assistance and issues for developing countries. The white paper points out that ODA is "an important method of international contribution for the peaceful nation of Japan" and, heading toward the 21st century, stresses that we should demonstrate international leadership in the promotion of new aid policies and not just simply expand the quantity of assistance. As specific new issues, it cites 1)

undertaking problems on a global scale such as the environment and AIDS, 2) support of democratization for developing countries and the change to a market economy for former communist nations, 3) emphasis on the role of women in development, and 4) backing for "cooperation between developing countries" where developing countries help nations with a lower stage of development.

The white paper is promoting the expansion of Japanese assistance because various advanced nations are showing a tendency toward "aid fatigue" with sluggish economies and financial difficulties. The 1993 record of ODA for the 21 member nations of the Organization for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) decreased 11 percent from the previous year at \$54.8 billion. Japanese ODA within that was maintained on par with the previous year at \$11.5 billion, a 1.3-percent increase, and the white paper stresses that the role of soliciting other nations will be expected in the future.

With regard to global-scale problems, the white paper introduces the fact that Japan has stated the pledge of implementing ODA totaling 900 billion to 1 trillion yen for the five-year period starting in fiscal 1992. In assistance for democratization and a change to a market economy, it shows the position of emphasizing Eastern Europe, Central Asia, Vietnam, the Palestinian region, and South Africa. As regards "cooperation between developing countries," it stresses that "third country training projects" where they support technical training by developing countries for neighboring developing countries are being implemented by many nations such as Indonesia and Thailand.

However, the white paper does not mention issues which are necessary for further increasing the understanding of the people about ODA such as the ideal procurement system accompanying technical cooperation where allegations of collusion have surfaced. MOFA explains as the reason that "it wouldn't do to touch upon it at a stage where the actual relationships are unclear" (Economic Cooperation Bureau).

Management Training Center Opens in Moscow

OW1110113294 Tokyo KYODO in English 1043 GMT 11 Oct 94

[FBIS Transcribed Text] Moscow, Oct. 11 KYODO—Japan opened a training center Tuesday [11 October] in Moscow to educate Russians in business management.

The Japan Educational Center for Business Management, built in the Moscow International Business School, Plekhanov Russian Academy, has lecture rooms, computer training rooms, language laboratories, and books and materials on Japan, said Japanese officials.

Seven lecturers from the Japan Development Bank will give an opening lecture course on the privatization of state-run enterprises until Oct. 21 for about 30 officials from Russian companies.

The center also plans to provide lectures on money and banking, and Japanese-style business, among other themes, the officials said.

Japan agreed in March to build the center as well as similar facilities in other parts of Russia to assist the country.

SDF Troops Arrive in Nairobi en Route to Goma

OW1110111794 Tokyo KYODO in English 1034 GMT 11 Oct 94

[FBIS Transcribed Text] Nairobi, Oct. 11 KYODO—A 120-member contingent from Japan's Ground Self-Defense Force arrived in Nairobi on Tuesday [11 October] en route to Goma, eastern Zaire, where it will help Rwandan refugees.

The mission, which left Japan on a civil flight Monday, will arrive in Goma on Wednesday aboard two C-130 transport airplanes from Japan's Air Self-Defense Force, officials said.

The team, the second main party of Japan's first international humanitarian relief mission by the Self-Defense Forces (SDF), will join some 100 other SDF troops already in Goma to provide medical and other assistance.

A total of 470 SDF personnel and government officials from Japan will take part in refugee relief activities for three months.

Murayama Hints at Higher Consumption Tax Rate

OW1110122494 Tokyo KYODO in English 1147 GMT 11 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 11 KYODO—Prime Minister Tomiichi Murayama suggested Tuesday [11 October] that Japan's 3 percent consumption tax may be raised to a level higher than the currently planned 5 percent.

The coalition government has ironed out a plan to raise the consumption tax to 5 percent in April 1997, but the new rate will be fixed after assessing how much money Japan will need for welfare, Murayama told the House of Representatives Budget Committee.

The premier said reforming the tax system and eliminating disparity in tax burdens will come before assessing the new consumption tax rate, but his remarks suggested the rate may be made even higher than previously announced.

It was the first debate in the committee under the government of Murayama, who took office in late June.

Murayama defended a decision by his Social Democratic Party [of Japan] (SDP) [SDPJ] to reverse its major policies on such issues as tax, defense and national security.

The SDP, in a radical departure from traditional policies, has decided to recognize the Self-Defense Forces as constitutional and accept the Japan-U.S. Security Treaty.

The radical policy changes followed the SDP's alliance with its archrival in the Cold War era, the pro-business Liberal Democratic Party (LDP), in forming the current coalition government.

Murayama, however, said the party's shift in key policy issues does not constitute a violation of promises made in the last general election in July 1993, adding it was in line with the changing times.

Since Japan began imposing the 3 percent consumption tax in April 1989, the SDP promised during election campaigns it will make efforts to abolish the tax or prevent it from being raised.

When the SDP shifted course on policies, major differences ceased to exist between the ruling coalition partners of the SDP, the LDP and New Party Sakigake [Harbinger], and the opposition camp excluding the Japanese Communist Party.

Murayama, Japan's first socialist premier in 47 years, also said the SDP will not reverse course again and cling to its previous policies even if the party loses hold on the reins of government.

Foreign Minister Yohei Kono told the same session that Japan has not announced it will push for a permanent seat on the UN Security Council despite the fact he delivered a speech at a UN General Assembly meeting in late September, stating Japan wants to acquire permanent membership.

"It was merely a step toward it," Kono told the committee session.

Takemura Says Indirect Tax Ratio To Increase

OW1210055394 Tokyo KYODO in English 0519 GMT 12 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—Indirect taxes are expected to account for 28 percent of total tax revenues, up from the current 23 percent, as a result of the government's planned comprehensive tax reform, Finance Minister Masayoshi Takemura said Wednesday [12 October].

Takemura presented the estimation, based on a fiscal 1994 value basis, at the Budget Committee of the House of Representatives. When the consumption tax is raised to 5 percent from the current 3 percent and the present tax cuts, which have been extended for two more years, are terminated, the ratio of direct taxes like income tax is expected to fall 5 percentage points to 72 percent from the present 77 percent, Takemura said.

The government of Prime Minister Tomiichi Murayama officially decided on Oct. 4 to raise the consumption tax to 5 percent from April 1997.

Takemura Stresses Need for Spending Cuts

OW1210105894 Tokyo KYODO in English 1043 GMT 12 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—The government must pursue concrete measures to cut back spending in order to prevent a further hike in the already-planned consumption tax increase to 5 percent, Finance Minister Masayoshi Takemura said Wednesday [12 October].

The planned hike of 2 percentage points from the current 3 percent in the consumption tax in April 1997 "is not enough to cover the future increase in welfare spending, including pension and medical care, and related social infrastructure improvements," Takemura told reporters.

"Against this backdrop, we must push fiscal cutbacks with concrete numerical targets" to avoid any further hike, he said, pointing to administrative and fiscal reforms and correction of unfair tax systems.

He was referring to a provision included in the government's tax reform package for reviewing the scale of the hike before it is implemented.

"It will be a close race between the two," Takemura said, brushing off criticism that the ruling coalition parties intentionally limited the tax hike rate to win votes while putting off a decision on an apparently necessary increase to above 5 percent.

Takemura and Prime Minister Tomiichi Murayama have faced such criticism over the package in ongoing deliberations at the Budget Committee of the Diet's House of Representatives.

Tax Agency Releases Unreported Income Figures

OW1210090794 Tokyo KYODO in English 0851 GMT 12 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—Self-employed individuals, doctors and corporate employees doing side businesses failed to report a total of 1.4 trillion yen in income to the tax authorities in the year to the end of June, the National Tax Administration Agency reported Wednesday [12 October].

The figure represents an increase of 7.1 percent from the previous year, but the unreported income per person dropped 3.8 percent to 1.77 million yen, according to a survey by the agency.

The increased total was attributed to a larger number of persons covered by the survey, while the slip in the per-capita figure was traced to sluggish business.

The per-capita amount of unreported income was largest among the owners of pachinko parlors, for the 10th consecutive year.

They failed to report an average of 46.28 million yen per person, up 16.8 percent from the year earlier.

They were followed by money lenders, with 22.78 million yen unreported, and hospital owners, with 14.82 million yen.

Reflecting the aftereffect of the burst of the speculation "bubble" in the late 1980s, land brokers failed to appear on the list of the worst 10.

The agency's survey covered 795,443 individuals who reported smaller incomes than expected, with 574,515 of them, or 72.2 percent, found to have failed to report part of their income.

In total, some 8.58 million people filed a final income tax return for the year.

The tax authorities levied 264.3 billion yen in back taxes on those whose tax reports were found faulty.

In a survey conducted simultaneously on consumption tax payments, tax reports by 47,718 individuals were found to contain flaws, up 6.0 percent.

They were ordered to pay 14.2 billion yen in back taxes.

Aomori To Tax 'High-Level' Nuclear Waste

OW1210084094 Tokyo KYODO in English 0813 GMT 12 Oct 94

[FBIS Transcribed Text] Aomori, Japan, Oct. 12 KYODO—The Aomori Prefectural Assembly overwhelmingly approved plans Wednesday [12 October] to levy a tax on high-level radioactive waste brought for storage or reprocessing at a nuclear complex near the village of Rokkasho.

Storage operators will have to pay a tax of 450,000 yen per cylinder of vitrified nuclear waste. This is an equivalent of 17,000 yen per kilogram of nuclear waste.

Together with current tax income from low-level radioactive waste storage facility and from a uranium enrichment plant, the prefecture expects to receive from all tax sources a total of 72 billion yen in the period leading up to 2000.

The new tax will be introduced following approval by the Home Affairs Ministry.

Japan Nuclear Fuel Co. operates a uranium enrichment plant, an underground storage facility for low-level radioactive waste and another storage facility for high-level radioactive substances in Rokkasho, Aomori Prefecture. A sophisticated reprocessing plant is under construction.

The tax rates also reflect the prefecture's outlays for surveillance of facilities during operation as well as infrastructure development, such as roads leading to the nuclear complex.

Since Japan does not have adequate reprocessing facilities yet, it has asked France's state-owned nuclear fuel company Cogema to dispose of nuclear fuel from reactors in Japan.

The first shipment of high-level radioactive waste, as distinct from plutonium and left over after extraction of plutonium from the fuel, is scheduled to arrive from France in April next year.

A total of 3,000 casks containing about 30 cylinders of the vitrified nuclear waste is scheduled to be eventually delivered to Japan.

From 1996, nuclear fuel rods discharged from nuclear power plants across the country will be kept at a cooling pond in Rokkasho until the reprocessing plant is ready in 2000.

The government regards the Rokkasho complex as a cornerstone in the nation's long-term plans to develop a full-fledged nuclear fuel cycle and become self-sufficient in energy.

Aug Public Works Spending Down From 1993

OW1110113394 Tokyo KYODO in English 1044 GMT 11 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 11 KYODO—Japan's public works spending in August fell 7.0 percent from a year before to 1,736.3 billion yen for the fourth consecutive month of year-on-year declines, the Construction Ministry reported Tuesday [11 October].

The fall is largely accounted for by unusually high spending in August 1993 due to the "front-loading" of public works projects as well as by a delay in passage of the fiscal 1994 national budget proposal, ministry officials said.

Public works orders placed by government-controlled organizations were down 30.7 percent to 237.0 billion yen while those issued by local government-related organizations slumped 1.7 percent to 1,499.3 billion yen, the officials said.

BOJ Governor Sees Economy 'Slowly Recovering'

OW1210074594 Tokyo KYODO in English 0706 GMT 12 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—Bank of Japan [BOJ] Governor Yasushi Mieno said Wednesday [12 October] Japan's economic recovery is becoming certain gradually, while noting he is still cautious about the outlook.

Mieno said at a press conference, "Judging from various economic statistics, Japan's economy is slowly recovering."

At the same time, Mieno cited as factors to be carefully watched, aftermath of temporary factors such as the scorching summer and tax cuts, sluggish capital spending, and foreign exchange rate developments.

On recent higher interest rates, Mieno said, "It is inevitable that interest rates rise to some extent as the economic conditions are improving little by little."

He reiterated the central bank will keep a close watch on the pace and sustainability of the economic recovery.

Asked about the effects of complete interest rate liberalization effective next Monday, Mieno said the central bank's monetary adjustment role through the official discount rate and interbank interest rates will remain unchanged.

"I see no need to change such a role," he added.

Liberalization of interest rates will enhance not only efficiency of financing but also effectiveness of monetary policies, Mieno said.

Asked about inflationary pressure, Mieno said there is not a bud (of inflation) yet in Japan.

In this regard, however, he referred to the consensus in Madrid by the International Monetary Fund (IMF) that monetary policies should be resorted at an earlier stage.

Murayama Says Government To Watch Yen Rate

OW1210034494 Tokyo KYODO in English 0329 GMT 12 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—Prime Minister Tomiichi Murayama said Wednesday [12 October] the government will keep a close watch on the foreign exchange market as volatile exchange rate fluctuations are "undesirable" for the Japanese economy.

Murayama told the House of Representatives Budget Committee that there are signs of economic recovery, due in part to increased consumer spending, but that the yen's appreciation is a cause of serious concern.

Murayama also said the government will try to promote employment for Japanese workers by creating new markets and offering assistance to new information-related industries.

Major Banks Post 9th Year of Reduced Lending

OW1210092494 Tokyo KYODO in English 0907 GMT 12 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—The balance of lending by Japan's 11 major commercial banks posted a ninth straight year-on-year fall in September on weak individual and corporate fund demand, a banking group said Wednesday [12 October].

The outstanding balance at the 11 major "city" banks came to 219,239.2 billion yen as of the end of September, down 1.4 percent from a year before but up 0.4 percent from the previous month, the Federation of Bankers Associations of Japan said in a preliminary report.

The year-on-year decline tied with the steepest decline—1.4 percent posted in July—since the federation starting taking the statistics in 1954.

The September-end balance also represented a 1.2 percent fall from the previous half-year term for the first half of fiscal 1994, posting the third straight decline.

The federation attributed the continued fall to weak demand for personal housing loans, consumer credit, and corporate running and capital investment funds.

All 11 city banks faced declines from six months earlier, with the Bank of Tokyo posting the steepest 3.35 percent fall, followed by Fuji Bank, 2.30 percent, and Sakura Bank, 2.03 percent, the federation said.

Sanwa Bank marked the lowest fall of 0.05 percent.

The balance of real deposits at the 11 city banks as of the end of September rose 0.6 percent from a year earlier, 0.6 percent from the previous month, and 0.5 percent from six months before to 181,706.8 billion yen, the federation said.

Real deposits exclude checks and bills.

Lending by Japan's three long-term credit banks was down 1.1 percent from a year before and 0.3 percent from the previous month to 47,069.2 billion yen, the federation said.

It was also 0.8 percent lower than six months earlier.

The lending balance at seven trust banks stood at 26,015.0 billion yen, up 5.2 percent from a year earlier, 1.7 percent from the previous month, and 2.3 percent from six months before.

Mitsubishi Bank To Bail Out Nippon Trust

OW1210122494 Tokyo KYODO in English 1031 GMT 12 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—Mitsubishi Bank will become the parent company of financially troubled Nippon Trust Bank by holding 68.8 percent shares effective from Nov. 11, subject to the approval of authorities concerned, the two banks announced Wednesday [12 October].

Mitsubishi Bank will purchase 443.4 million new shares at 450 yen per share to be allocated by Nippon Trust Bank, amounting to about 200 billion yen, to help rescue the trust bank, they said.

Mitsubishi Bank President Tsuneo Wakai said at a press conference, "We made this difficult decision at a request for rescue from Nippon Trust Bank and authorities."

Despite the significant burden of the support, Mitsubishi Bank agreed on the rescue after considering the need to maintain confidence in the financial system, as well as its long-time relationship with the trust bank and desire to enter the trust banking business, Wakai said.

Mitsubishi Bank is currently the second-largest shareholder in Nippon Trust with a 5.0 percent stake. The two banks have a close relationship, with the latter's president coming from Mitsubishi.

Nippon Trust Bank President Tomoaki Hirano, the fifth consecutive president from Mitsubishi, said in the joint press conference, "We have come to the conclusion that asking for outside support is only way we can survive."

Nippon Trust Bank has been faltering under the weight of a huge amount of bad loans accumulated in the wake of excessive real estate-related loans in the late 1980s when the stock and real estate markets were booming.

Given expectations of further increasing nonperforming loans partly due to lower land prices, the trust bank cannot afford to redeem such bad loans even with efforts to cut costs through further rationalization, Hirano said.

Hirano said the trust bank revised downward its forecast of earnings for the current business year which ends next March to a 163 billion yen net loss from a 1.3 billion yen net profit expected on May 27. It also decided to suspend payments of both midterm and full-year dividends, he said.

With the help of Mitsubishi Bank, Nippon Trust will make every effort to redeem bad loans worth more than 200 billion yen by the end of this fiscal year, Hirano said.

The trust bank will also draw up a three-year reconstruction plan by the year-end to reduce expenses both of personnel and equipment by 25 percent, he said.

Hirano expressed his hopes that the trust bank can get into the black or restart payment of dividends in three years.

A Finance Ministry official in charge of the banking industry said there was "no choice but to rescue" the trust bank by making it a subsidiary of Mitsubishi Bank.

The Finance Ministry unofficially approved the bailout the same day and will give an official green light when the Fair Trade Commission agrees on it, the official said.

The ministry will allow Nippon Trust Bank to continue full operations as a trust bank as an "exceptional case" to legislation that limits the scope of business operations by a trust bank subsidiary of a commercial bank, he said.

Finance Minister Masayoshi Takemura said in a prepared speech that he hopes public confidence can be secured by promptly reconstructing the trust bank's management in line with his ministry's business improvement order through the capital increase of share allocations to third parties.

Ministry Submits New Rice Control Law Proposal *OW1210051894 Tokyo KYODO in English 0448 GMT 12 Oct 94*

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—The farm ministry on Wednesday [12 October] submitted to the ruling coalition an outline of legislation for stabilizing food supplies and prices in Japan, ministry officials said.

The law is intended to replace the existing food control law, under which the government controls production and distribution of most of the rice in Japan.

Under the proposal compiled by the Agriculture, Forestry and Fisheries Ministry, any company will be allowed to buy rice from farmers and sell it on the open market, just by notifying its business plans to the government. Currently, a government-issued license is needed to engage in the rice business.

In working out the measure, the ministry has modified a broad-ranging farm deregulation proposal worked out in August by the government's agricultural policy council, due in part to opposition from agricultural cooperatives and other farm organizations.

The outline defines government roles in rice production and distribution as promotion of production adjustment, flexible management of stocks, and smooth distribution, purchases, import and sales.

Under the proposal, farmers will sell fixed amounts of rice to the government through rice wholesalers or retailers, or shippers. The farmers must report to the farm minister in advance amounts of rice they intend to sell outside government-designated channels.

Government purchase prices of rice will continue to be set annually through discussions by the government's rice price council, the ministry said.

Government To Subsidize Herb, Bamboo Farmers *OW1210084694 Tokyo KYODO in English 0820 GMT 12 Oct 94*

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—The Forestry Agency plans to give subsidies as part of farm reform plans to farmers' groups planting bamboo, Chinese medicinal herbs and other plants in remote, hilly villages, agency officials said Wednesday [12 October].

Such plants are expected to produce profits for farmers who are being squeezed out of farming under the 1993 Uruguay Round accords for liberalizing farm trade, the officials said.

The plan is intended to make better use of a large area of farmland being abandoned in remote villages.

The officials said the subsidies, equivalent to half the cost of starting and maintaining new business, are also likely to apply to lacquer and Paulownia trees and mushrooms.

Paulownia wood is light and warp-resistant and is used in Japanese furniture.

Export Controls To Tighten on High-Tech Goods *OW1210105994 Tokyo KYODO in English 1040 GMT 12 Oct 94*

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO—Japan will beef up export control for high technology

products by subjecting even general-purpose equipment to such restrictions, trade ministry officials said Wednesday [12 October].

The Ministry of International Trade and Industry (MITI) will list about 100 items as products which could be converted into mass destruction weapons like nuclear arms, missiles and chemical weapons, the officials said.

Exporters will be required to obtain a MITI permit when they ship these products to countries with risk of conflicts, they said.

The step is in response to a growing concern over proliferation of mass destruction weapons amid unabated outbreaks of regional conflicts following the abolition of an export control under the Coordinating Committee for Export to Communist Areas (COCOM), the officials said.

As a way to address such a concern, the United States and Europe have already introduced systems to restrict exports of general-purpose high tech products.

Items to be put under export restrictions by MITI will include machine tools, semiconductor chips, personal computers, carbon textiles and specialty metals, they said.

Export destinations to be designated as potentially dangerous are 20 countries, including North Korea, Iraq, Iran, Cuba and Libya, they said.

MITI will revise the trade control ordinance by the end of this year for enforcement of the new step early next year, the officials said.

At present, the ordinance prohibits exports of products that would directly lead to production of mass destruction weapons, such as nuclear materials, rocket components, viruses and very sophisticated machine tools.

MITI Relaxing Electric Product Inspections

*OW1110115694 Tokyo ASAHI SHIMBUN in Japanese
8 Oct 94 Morning Edition p 1*

[FBIS Translated Text] With regard to the safety inspection system for electric appliances, the Ministry of International Trade and Industry [MITI] has decided to revise the present regulations requiring inspections by government-designated organizations so as to introduce the "third party certification system," under which private bodies will mainly carry out inspections. The United States and other nations have criticized the Japanese inspection system aimed at checking whether or not products meet Japanese safety standards, saying it is an obstacle to foreign nations' exports to Japan. In response, the government has studied a plan to introduce the new system as one of its deregulatory steps. Japan aims to adjust its system to those of the United States and European countries. The new system will be implemented as early as the end of this fiscal year [FY]. About 100 items belonging to "ko-shu" [category A], which is

under the government's direct control, will be placed in "otsu-shu" [category B] next fiscal year.

Electric appliances in which there is a lot of danger of causing electric shocks and fires are classified "category-A products" (government certification) under the Electric Appliance Control Act. Production and import of those products are permitted after MITI-designated organizations inspect them. The "category-B products" (self certification) need only the submission of the necessary documents.

Through this deregulatory step, about 100 "category-A" items, such as electric stoves, TV sets, and desk and floor lamps, will be placed in "category B" beginning FY 1995. The new system allows "category-B" products to undergo inspections by private bodies on a voluntary basis. Although about 200 items, including various kinds of electric cables, fuses, and voltage regulators, will still belong to "category A," MITI is likely to abolish "category A" step by step over the next five years as the third party certification system takes root.

In the UK, Germany, and the United States, it has been around 100 years since private inspection bodies approved by governments established their original standards and certification systems. Inspection bodies charge electric appliance makers for inspections and certifications of products. Through this revision, MITI intends to shift the present system to those of the United States and European nations. In addition, it believes that if the inspection standards are internationally unified through mutual approval of standards by Japanese and overseas organizations, it will become easy for overseas makers to join the Japanese market.

Among inspection bodies presently designated by the government are the Japan Electric Appliances Inspection Center and the Japan Quality Certification Organization. In an effort to make the new system take root in Japan, MITI wants these inspection bodies to set up their own safety standards in line with demands of consumers and manufacturers.

Kansai Electric Tests Microwave Transmission

*952A0012A Tokyo NIHON KEIZAI SHIMBUN in
Japanese 6 Oct 94 p 13*

[FBIS Translated Text] Kansai Electric Power Company, Kyoto University, and Kobe University will start an experiment on microwave transmission which does not use power lines, beginning in November. It was licensed by the Kinki Telecommunications Management Bureau on 5 October to establish an experimental station. Microwave electrical transmission is a new technology which enables transmission of power from satellites loaded with solar generators and the transmission of electrical power to isolated islands to which power lines cannot be laid. This will be Japan's first microwave power transmission test.

The system is being built at the Kansai Electric Yamazaki Experimental Center in Yamazaki-cho, Hyogo-ken, and is scheduled for completion at the end of October. A parabolic antenna measuring 3 meters in diameter will be used to transmit 2.4 gigahertz (1 giga equals 1 billion) of microwave which will be received at a flat antenna measuring 3 square meters covered by about 2,700 antenna elements and converted into direct current via diodes. The distance between transmitting and receiving systems will be 50 meters and the output for the system will be 5 kilowatts. The test period will cover two years. Main objectives of the test will be the efficiency of transmissions, the effects of weather, and environmental impact.

Kansai Electric Power had zeroed in on the special characteristics of microwaves in transmitting energy, and had collaborated with Kyoto and Kobe Universities in the joint development of interterrestrial systems.

Traffic Poles Eyed for PHS Relay Stations

952A0011A Tokyo NIHON KEIZAI SHIMBUN in Japanese 2 Oct 94 p 31

[FBIS Translated Text] A plan is being advanced between the National Police Agency and telecommunications companies, such as Nippon Telegraph and Telephone Company (NTT), to use traffic signal poles as relay stations for next-generation personal handyphone system (PHS) portable telephones which are being tested for commercial feasibility and lower usage fees. PHS telephone instruments have limited power output and pose the problem of requiring the establishment of land stations at intervals of several hundred meters. Traffic signal poles were selected because they exist throughout urban areas and are of an ideal height. Issues such as the effect of such use on traffic signals must be researched, but if the idea proves feasible, PHS use would be accelerated.

This will be the first time that signal poles will be "made available" for other uses. This is a case where signal poles will assume a new role, amidst the situation where telephone utility and electric power poles are fast disappearing because of programs to place utility lines underground.

The PHS concept was born as a result of the idea of using domestic cordless telephones outside the home. The PHS cannot be used while traveling over freeways, but since installation of relay stations will require about one-sixth of the costs associated with cellular telephones, PHS call rates should be about the same as that for public telephone calls. Feasibility experiments have been conducted in Sapporo city and Tokyo since October 1993.

PHS land stations require wiring to provide a power source to the transmitter and telephone circuits leading to telephone exchanges, but signal poles are equipped to satisfy both needs including circuits used to control

signals and are of the ideal height for handling signals unique to PHS. If relay stations are installed on signal poles at intersections, there is the advantage of four-way signal transmission without interference from buildings. During the feasibility tests, the telecommunications companies installed relay stations on telephone boxes and rooftops and exterior walls of buildings, but that approach posed problems with the height of antennas and negotiations about usage fees.

The National Police Agency has initiated a study with a view to approving the installation of relay stations, antennas, and transmitters on 20 to 30 percent of the 13,000 signal poles in Tokyo in the near term, considering the telecommunications industry's plan to begin PHS services in the capital beginning next spring. The antennas will be pole-shaped and about 80 centimeters in length while transmitters will be A-4 in size.

The Traffic Control Department states, "The National Police Agency is a highly visible public service organization and is proceeding with its study with the idea of approving the use of signal poles as a special exception," and as a matter of principle it does not intend to pursue the collection of installation and usage fees. The Ministry of Posts and Telecommunications is proposing a plan to rent the rooftops and exterior walls of the 10,000 post offices throughout the country, but, according to the NTT Personal Services Promotions Preparation Office, private-sector firms hold out much hope saying, "Use of traffic signal poles in the heart of Tokyo should provide major advantages."

The only reservation imposed by the National Police Agency pertains to the steel box installed near traffic signal poles and containing a computer to control traffic signals; the telecommunications firms have been asked to perform thorough surveys to ensure that telephone signals do not interfere with the proper operation of the computers. The National Police Agency plans to ask that such surveys be conducted by a third-party agency including members of the police agencies to ensure that installation and maintenance work on land stations do not create problems in the operation of the traffic signals.

Selection of Gulfstream UX Aircraft Debated

OW1210105494 Tokyo TOKYO SHIMBUN in Japanese 10 Oct 94 Morning Edition p 1

[FBIS Translated Text] Although the Defense Agency [DA] informally decided to adopt the U.S.-made multi-function aircraft (UX) "Gulfstream," an official decision on the type of UX aircraft to be procured has not been made because of complaints by some ministers. In this connection, it was revealed on 9 October that the idea of introducing a new plane for government use—the type of which was expected to be the same as the UX aircraft—has faded away. Some people suspect that, since the "Gulfstream" was "not seen as the best choice for a government plane" (according to a DA source), this

unfavorable condition may have been ignored. There is a growing suspicion that the "Gulfstream's" selection may have been decided on before the selection of the UX plane.

Although the DA has a jumbo jet (Boeing 747-400) for government use, it is too big to transport small numbers of people and the number of airfields it can use is limited. For these reasons, there were calls within the DA for a smaller government plane.

According to a DA source, the idea of purchasing a new government plane and a UX aircraft were simultaneously worked out. The current six-seater propeller-driven B-65 is to be succeeded by the UX aircraft, which is a large business jet for about 20 people. It was not decided whether the DA's UX aircraft would also serve as a government plane or whether the government would procure its own plane. However, there was reportedly a prevailing view that the DA's UX aircraft and the government's official plane would be the same type in an effort to adopt effective management.

The Air Staff Office of the Air Self-Defense Force worked out a written request concerning performances of UX aircraft in May and submitted it to trading companies dealing with aircraft under consideration. Although the request demanded long-distance flight performance, it did not refer to a "plane for government use." There was no mention of a "government plane" in the request.

Regarding the fading-away of the idea of purchasing a new government plane, an aviation expert familiar with DA internal affairs pointed out: "When the three candidate planes are compared, the 'Gulfstream' has the longest range. However, while the (French-made) 'Falcon 900' is capable of using nearly 90 percent of domestic airfields, the 'Gulfstream' and the other plane can only use about 70 percent." According to the expert, there was a possibility that if the request had emphasized that the DA's UX would also serve as a government plane, the "Falcon 900" would have been the most probable candidate.

Moreover, a DA source said: "The purchase of a new government plane has been repeatedly discussed within the DA. It is unnatural to discuss it separately from the purchase of a UX aircraft." He thus indicated the suspicion that the selection of UX aircraft is under way after the "Gulfstream's" unfavorable conditions were ignored—it is suspected that the "Gulfstream's" purchase may have been decided from the beginning.

Meanwhile, a senior DA official said: "There was no mention of a plane for government use in the draft of the Air Staff Office's operational request. We have not discussed UX and government planes at the same time."

Airbus Industrie Lobbies DA on New Planes

OW1110115394 Tokyo NIHON KEIZAI SHIMBUN in Japanese 10 Oct 94 Morning Edition p 11

[FBIS Translated Text] Airbus Industrie, a European business consortium which is examining the possibility

of embarking on a new business as a defense contractor in the military aircraft area, has begun contacting the Defense Agency [DA] behind the scenes. The DA is rumored to be planning to introduce large, long-distance transport planes and air tankers at the turn of 2000 and Airbus Industrie aims to sell those aircraft to Japan. U.S. military aircraft builders have planes and air tankers that can compete with their European counterparts. Hence, U.S. and European military aircraft builders are likely to fiercely compete with each other as they have done in producing and selling airliners.

Airbus Industrie has offered the DA "future large aircraft (FLA)," a military transport aircraft. The FLA will be built by a five-member joint-venture company to be formed by British Airbus in Britain, Aerospatiale in France, Deutsche Aerospace in Germany, CASA in Spain, and Alenia in Italy; but Airbus is expected to take the lead in developing the FLA. The FLA will make a virgin flight in 2001 and it will be capable of airlifting a payload of 25 tons with a flight range of more than 4,200 km. Its flight range slightly exceeds that of the C-130H, which is presently in operation for the Ground Self-Defense Forces, but its load capacity is twice that of the C-130H. Airbus Industrie has also offered the DA a remodeled version of the A-310 and air tankers that enable airborne warning and control system (AWACS) aircraft to stay in the air longer.

In August, the "Defense Affairs Panel (headed by Hiro-taro Higuchi, chairman of Asahi Breweries)," an advisory group for the prime minister, released a report indicating a positive-attitude toward introducing long-distance transport planes to back up Japan's participation in UN peacekeeping operations (PKO) and air tankers to make Japan's air defense system efficient. Airbus Industrie began making those offers after concluding that momentum has grown in Japan for the introduction of the aircraft.

Lockheed and McDonnell Douglas have transport planes and Boeing has air tankers capable of competing with their European counterparts. Hence, U.S. and European aircraft makers will undoubtedly compete fiercely to sell their aircraft to Japan. The post-1996 equipment purchase plan has yet to be finalized and some within the DA are bewildered by the Airbus Industrie offers, saying: "We cannot respond to the offers for sales of transport planes and air tankers because no decision has been made on their purchase."

Creation of Prime Minister Aide Post Expected

OW1110120094 Tokyo ASAHI SHIMBUN in Japanese 9 Oct 94 Morning Edition p 2

[FBIS Translated Text] The idea of creating the post of "aide" to Prime Minister Tomiichi Murayama and having one Diet member from each of the three ruling parties fill the post is expected to be realized this week. The idea is based on the prime minister's "hope to know the actual situation" in wide-ranging fields, including

policies, Diet management, and the political situation. Meanwhile, the Prime Minister's Office intends to upgrade the chiefs of three offices—namely, the Councilors' Office on Internal Affairs, the Councilors' Office on External Affairs, and the Security Affairs Office—to the rank of administrative vice minister beginning the next fiscal year, in an effort to consolidate its internal structure. The two ideas of strengthening "political" and "bureaucratic" functions of the Prime Minister's Office have coincidentally come to the surface at the same time. What is behind these ideas is the political objective of strengthening the structure of the "office of Prime Minister Murayama," who is unfamiliar with administrative management, amid the growing offensive by opposition parties, which intend to form a new new party [shin shinto], and a serious concern by "bureaucrats" that the government's abilities to carry out policies may be lowered amid the development of political realignment, such as cabinet changes.

The idea of creating the "post of aide" to the prime minister was rife immediately after the Murayama administration was inaugurated. However, there was growing concern among bureaucrats and the ruling parties about appointing a person as a regular staff member at the Prime Minister's Office like Shusei Tanaka (from Sakigake [Harbinger Party]), who served as special aide to Prime Minister Morihiro Hosokawa and exercised great influence on the cabinet's policy-making procedures. For this reason, the idea was shelved. However, it cropped up again in late September because of the prime minister's desires.

As a result of coordination among the government and ruling parties, it has been decided to partly revise the idea. A person close to the prime minister said: "(The prime minister's aide position) will not be regularly staffed. The post will serve as a liaison to brief the prime minister once a week on the progress of policy discussions among the ruling parties and the Diet situation; and middle-class Diet members will be appointed to the post." It has been unofficially decided that Sadakazu Tanigaki from the Liberal Democratic Party and Atsushi Nishikori from Sakigake will fill the post first. The Social Democratic Party of Japan is facing difficulties in appointing a person to the post because it already has the Central Executive Committee members positions to support its chairman and there is rivalry over the selection of party posts. A senior government official stated that "the prime minister should appoint a person he thinks is qualified."

One of the reasons the idea will likely be realized after many turns and twists is that the prime minister himself increasingly feels that "the leadership of bureaucrats is too strong." According to close aides to the prime minister, the prime minister thinks the present private secretary's role is insufficient because his intention regarding the comfort women issue was not conveyed to relevant ministries and agencies, and because information from bureaucrats was not smoothly conveyed to him

in the process of sending Self-Defense Forces units to rescue refugees from Rwanda. It appears that the government and ruling parties have concluded it is necessary to appoint people as "liaison men and advisers" to support the prime minister because he "does not have an adviser whom he can easily consult" about the handling of the political situation.

Meanwhile, on the bureaucratic side, Deputy Chief Cabinet Secretary Nobuo Ishihara played a leading role in carrying out their idea. The chiefs of the three offices under the direct control of the Prime Minister's Office were originally regarded as coordinators to deal with impediments posed by the vertically structured administration. However, there is a problem that since these posts are currently filled by middle-class bureau chiefs from ministries and agencies, they "cannot properly handle arguments" (according to a senior government official) with relevant ministries and agencies led by administrative vice ministers.

For this reason, Ishihara has decided to appoint top-class bureau chiefs as chiefs of the three offices under the Prime Minister's Office, upgrading their status to vice minister rank. By extending the term of the posts to four or five years from the current two years and having those who fill the post "devote their lives to the cabinet," Ishihara intends to strengthen the posts' responsibilities. He has already included spending to cover the salary increase following the promotion in the budgetary request for the next fiscal year.

The prime minister has emphatically stressed the need for a "desirable division of roles between politics and the bureaucracy" as part of political reform, in a bid to deal with criticism of "bureaucrat-led" politics. A senior government official, who is involved in materializing the idea, stated: "The idea is designed to strengthen the functions of the Prime Minister's Office, not to enhance the control of bureaucrats. This is necessary to perform the prime minister's instructions steadily."

However, it is true that bureaucrats, experienced in unstable political situations from last year, have further confirmed their belief that "continuance of policies must be guaranteed" (as stated by Ishihara). There is a danger that the reinforcement of the administrative authority may result in enhanced influence of ministries and agencies in the Prime Minister's Office.

As the government is facing such tasks as decentralization and deregulation, which ministries and agencies are expected to oppose, attention may focus on how the prime minister will handle the leadership role in the Prime Minister's Office.

Leftist Lawmakers Pledge To Form New Alliance
OW1110113494 Tokyo KYODO in English 1057 GMT
11 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 11 KYODO—
Leftist lawmakers and labor unionists disillusioned by

recent policy changes of the Social Democratic Party [of Japan] (SDP) [SDPJ] pledged Tuesday [11 October] to form a new political alliance under the banner of protection of the Constitution.

The group led by Akira Iwai, a former leader of the now defunct General Council of Trade Unions of Japan (Sohyo), and Shizuo Wada, former vice chairman of the SDP led by Prime Minister Tomiichi Murayama, held a meeting to rally support for their movement.

The participants agreed to form a new bloc comprising a wide range of political forces under the tenet of "protection of the Constitution, human rights, the environment and justice."

"The SDP is dead. We should form a new political grouping for protection of the Constitution," Iwai told the meeting.

But an SDP member of the House of Representatives, Tatsukuni Komori, said he will not leave the party for the time being.

Another pro-Constitution group led by SDP lower house member Sukio Iwatare also distanced itself from the new movement by issuing a statement, saying the most important task now is the reconstruction of the SDP as a pro-Constitution party.

SDPJ Group Aims for 'Third Political Force'

OW1210103094 Tokyo NIHON KEIZAI SHIMBUN in Japanese 11 Oct 94 Evening Edition p 2

[FBIS Translated Text] During a meeting of executives on the morning of 11 October, the "New Democratic Association" [NDA] policy study group within the Social Democratic Party of Japan [SDPJ], decided on a plan to form another policy study group with members of the Japan Democratic Socialist Party [DSP] and the Democratic Reform Alliance, hopefully around mid-November.

As part of the political realignment, the NDA aims to "join together liberal forces within the SDPJ and DSP as the third political force," which will differ from the new-new party to be formed among opposition parties excluding the Japan Communist Party [JCP]. The NDA plans to study what the policies of the "SDPJ-DSP liberal force" will be.

At the meeting, the NDA confirmed it will hold talks with members of Sakigake [Harbinger] within this week to exchange views on the plan; and will maintain cooperative relations with some DSP Dietmen and members of the "Democratic New Party Club," a lower house parliamentary group led by Banri Kaieda.

North Korea

Delegate Choe Speaks at UN General Assembly

SK0710151394 Pyongyang Korean Central Broadcasting Network in Korean 1315 GMT 7 Oct 94

[FBIS Translated Text] Choe Su-hon, vice foreign minister and head of our country's delegation, made a speech at the 49th UN General Assembly on 5 October.

He stated, first of all, that under authorization, he expresses deep thanks to respected His Excellency Secretary General Butrus-Butrus Ghali and to the UN subordinate organizations, including the UN Secretariat, and professional organizations, for expressing deep condolences over the death of respected Comrade Kim Il-song, the DPRK president.

He said that although the heart of the leader [suryong] stopped beating, his great achievements will remain brilliant forever with the century and the great leader Comrade Kim Il-song is with us forever.

He pointed out that our people could resolutely rise by turning sorrow into might and courage even though we suffered such a great loss, because our people are upholding in the supreme position [suwie] Comrade Kim Chong-il, another great leader [ttohanbunui widaehan yongdoja] who inherited intact ideas, leadership traits, and high moral repute from the fatherly leader.

He said: The dear Comrade Kim Chong-il is the supreme leader [choegoui yongdoja] of the DPRK and supreme commander of the revolutionary Armed Forces.

The dear Comrade Kim Chong-il, who has perfectly embodied natural disposition and leadership traits as the leader of the people with both literary and military accomplishments, is enjoying high esteem and absolute trust from our people. Our people totally entrusted him with all of our destinies and our future. Under the system of popular mass-centered socialism of our own style, which our people ourselves chose and built with our own strength, the leader [yongdoja] and people attained a perfect unity and cohesion. This is the very genuine shape of our society.

The dear leader Comrade Kim Chong-il, assuming inheritance and perfection of our fatherly leader's revolutionary cause over generations as his supreme duty, is energetically leading overall works of our party, state, and military.

It is the firm will of our Republic's Government to inherit and develop all achievements made by the respected leader Comrade Kim Il-song, not discarding even one. The leader's lifetime will is the guideline of our activities.

Our people will more thoroughly arm ourselves with the chuche idea—the respected leader Comrade Kim Il-song's revolutionary idea—by upholding the wise leadership of the dear leader Comrade Kim Chong-il, and will defend, protect and glorify our socialism—our life and living.

The greatest desire of the great leader Comrade Kim Il-song during his lifetime was national reunification. Even until the last moments of his life, he energetically carried out activities to achieve it.

National reunification is a patriotic cause linked to our nation's destiny and a supreme national task which cannot be delayed even a moment.

Proceeding from their desire to achieve the reunification of the fatherland, our republic's government and its people have from very early on regarded as the common reunification program of the nation the three principles of independence, peaceful reunification, and the great unity of the nation; the formula for founding a confederal state; and the 10-Point Program of the Great Unity of the Whole Nation for National Reunification. To achieve this, they have made every effort they can.

Under the situation in which there are different ideologies and systems in the north and south of Korea, in order to achieve national reunification under the principle in which no one conquers the other nor is conquered themselves, there is only one solution: reunification through a confederal system based on one nation and one state, two systems and two governments. This is a great principle of the national reunification formula that complies with the situation on the Korean peninsula.

The South Korean National Security Law, which defines fellow countrymen as enemies, and the concrete wall, a symbol of division and confrontation, are the basic obstacles to achieving humanitarian exchanges, dialogue, and contacts between the North and South at present.

To achieve free visits, contacts, cooperation, and exchanges between the North and South, and to realize the great national unity that we have consistently insisted upon, all legal and physical walls [mullijok changpyok] should be removed as soon as possible. This is a consistent demand by the entire Korean people as well as people throughout the world. This is also the trend of the times.

Our people's will to surely achieve the cause of national reunification in the 1990's is very firm. Based on national patriotism and the spirit of national independence, our people will surely achieve the reunification of the fatherland by founding an independent, peaceful, and neutral reunified state in which all Korean people in the North, South, and abroad are united as one; in which they pursue coexistence, coprosperity, and cointerests; in which they can dispel suspicions over a victory over communism or communization [sunggonggwa chokhwau ui gulul kasigo]; and in which they can cooperate with each other transcending their own assertions.

The important problem in relaxing tensions and in securing peace on the Korean peninsula is to replace the Korean Armistice Agreement with a peace agreement, as well as to form a new peace arrangement instead of the current armistice system. The Korean Armistice Agreement has defined the suspension of military action between belligerent parties and, at the same time, is a

provisional measure in anticipation of the replacement of the armistice agreement with a peace agreement in the future.

The armistice agreement signed in the 1950's has been preserved up until today, even after the Cold War has ended. This is abnormal in many ways. Under these circumstances, the replacement of the armistice agreement with a peace agreement, and the conversion of the current armistice system into a new peace arrangement, have been raised as imminent issues that can no longer be delayed.

In April, our republic's government proposed holding negotiations with the United States to discuss establishing a durable peace arrangement [konggohan pyonghwa pojang cheje] instead of the old armistice system, putting forward a concrete proposal for its realization. As a result, Pyongyang has taken practical measures, forming the Korean People's Army mission to Panmunjom as our new negotiating organization.

Because of the imminent need to turn the Korean Armistice Agreement into a new peace arrangement, at the end of August the PRC Government decided to withdraw its People's Volunteers Army delegation from the Military Armistice Committee in light of the current situation in which the Military Armistice Committee is paralyzed. Such measures are innovative and sincere [hyoksinjogigo sonui innu] for finding a breakthrough to establish a new peace arrangement on the Korean peninsula. Also, these measures are considered recognized international practices in which, after the Second World War, some countries ended hostile relations by announcing peace relations between themselves.

Even today, when our republic is a member state of the dignified United Nations, it has not yet legally escaped belligerent relations with the United Nations because of the continuation of the armistice agreement. In view either of its obligation to liquidate an unsavory past [pulmihan kwago] with our country, which has already become a member state, or of its mission to implement its resolution, the United Nations should pay attention to our proposal for establishing a new peace arrangement, and should sincerely carry out its assigned obligation.

It is significant to resolve the nuclear issue on the Korean peninsula in order to relax tensions and secure a durable peace. Despite whichever view you accept about the background of its origination, or of its character and essence, the nuclear issue on the Korean peninsula is a political and military matter that should be solved between the DPRK and the United States.

Our republic has firmly maintained the position that the nuclear issue on the Korean peninsula should be resolved through dialogue and negotiations between the DPRK and the United States. We have made a resolute decision to replace the existing graphite-moderated reactor with a light-water reactor at the expense of an

independent nuclear energy industry in order to prove the transparency of our nuclear activity.

Nevertheless, some forces who are reluctant to resolve the nuclear issue are persistently pressuring and making threats, irritating us and creating a public opinion that will negatively affect dialogue, all the while talking about so-called special inspections [tukpyol sachal]. This is nothing but a plot to desperately block the DPRK-U.S. talks, which entered a new stage, and to heighten tensions on the Korean peninsula to an extreme.

Our people have a strong spirit of independence. Our republic also regards independence as its life. No threats, blackmail, pressures, or sanctions against us will ever be allowed. Our people will not beg for peace at the expense of the dignity and sovereignty of the nation out of an apprehension of war. Our republic will not sell the country's supreme interest [naraui choego iik] because of pressure from others.

The nuclear issue on the Korean peninsula is a matter that should be resolved between the DPRK and the United States. No one can intervene. If someone wants to intervene in the DPRK-U.S. talks, they will not help resolve the issue, but rather will create difficulties and obstacles.

Before speaking about the nuclear issue, the South Korean authorities should stop committing acts which create obstacles to progress in the DPRK-U.S. talks, which heighten the North-South confrontation, and which aggravate the situation on the Korean peninsula.

Both the DPRK and United States have entered the stage of dialogue and negotiations, and have agreed upon the final destination [chongchakchomul] to peacefully resolve pending issues, including the nuclear issue. We are moving forward to achieve them. The world welcomes this and expects satisfactory results.

Our republic's government will make every sincere effort in the future to resolve the nuclear issue on the Korean peninsula and achieve denuclearization in this area.

Availing myself of this opportunity, I express deep appreciation to the state leaders, governments, and people who support the principled position and sincere efforts of our republic's government for settling the nuclear issue.

It is the common task of mankind to build a new world—a free and peaceful world—without domination and subjugation by superiors. To build a new world people aspire for, the legacy of the Cold War—a legacy that was denied by history—should be liquidated, and international society should be democratized so all countries and nations can equally enjoy their independent rights.

First, it is important to democratize the United Nations. Among the member states of the United Nations are many countries, small and large. There are countries

which entered the United Nations long ago, and countries which failed to enter at that time. However, there is no superior or inferior country in the United Nations, nor is there a dominating country or a dominated country.

All member states of the United Nations are equal, and jointly contribute to securing world peace. An individual country's special position cannot be allowed within the United Nations under any circumstances. Reforming and improving the UN is an important task to more actively deal with the changed reality and new challenges. The nonaligned and developing countries occupy a majority of seats in the United Nations. Therefore, developing countries should become permanent members of the UN Security Council in order to meet their demands and interests in an appropriate manner in resolving important international issues.

I believe even though the permanent member countries of the UN Security Council have increased in number, a country that does not correctly liquidate its past, because it was completely defeated in World War II, cannot be accepted.

Currently, Japan wants to become a permanent member of the UN Security Council. However, first it must apologize for the aggression it committed and its criminal acts in the war, and must make correct compensation. This is only proper.

Achieving disarmament, especially nuclear disarmament, is an important issue that must be urgently resolved at this time. From long ago, the world's people hoped to live peacefully in a nuclear-free world, and are striving for complete and full abolition of nuclear weapons. However, even today when the Cold War has come to an end, nuclear powers are not trying to achieve the complete abolition of nuclear weapons, but as usual are trying to perpetuate their nuclear monopolization. They continue to legalize their possession. This is an anachronistic way of thinking. It creates competition in nuclear armaments, and interferes in the progress of the overall discussion of disarmament issues.

Extending the Nuclear Nonproliferation Treaty is currently an international interest. The current treaty is unfair in regulating the rights and duties of member countries that possess nuclear weapons and member countries that do not possess nuclear weapons. If this treaty is to be fair, nuclear powers must unconditionally guarantee that they will not use nuclear weapons against non-nuclearized countries; must promise they will not use nuclear weapons first; must completely prohibit the use of nuclear weapons; must suspend the production of nuclear weapons; and must present a time table for the complete abolition of nuclear weapons. All these must be included without fail. This will be the first step in making the existence of nuclear weapons insignificant on our planet.

We are currently witnessing tragedies in some regions of the world in which peace and security are being disturbed; many countries are suffering serious calamities.

We claim that common problems between nations must be solved by the parties concerned and through peaceful negotiations in accordance with the interest of the two sides and the cause of world peace.

Currently, the issue of social and economic development is an important one directly related to international peace and security. As everyone knows, social and economic development in developing countries is being seriously suppressed, and the phenomena of the rich-getting-richer and the poor-getting-poorer is all the more serious from a worldwide scope.

If the people of developing countries are to free themselves from poverty, disease, and calamity, and are to narrow the gap between rich and poor that currently exists between advanced and developing countries and that is increasing with each passing day, then a fair international economic order must be established.

The United Nations must give priority to the development of developing countries and must strengthen its role in economic and social development. In this connection, we hope the provision on development put forth by the UN secretary general will contribute to the economic development of developing countries.

In various meetings, including the summit by the non-aligned countries, the issue of establishing a fair international order was emphasized, and resolutions on taking practical measures were adopted. Nonaligned and developing countries are currently accelerating social and economic development, and are actively making efforts to realize South-South cooperation in various fields—including foodstuff, agriculture, education, and health—that have priority significance in releasing them from economic poverty, thus establishing a South-South economic order.

Advanced countries must turn their attention to this matter without fail. They must resume dialogue with the developing countries; must move toward establishing a fair international economic relationship; and must refrain from carrying out acts which obstruct the economic development of developing countries.

Currently, in various countries the people's struggle to reject all kinds of domination and interference, to safeguard national independence and sovereign rights, and to achieve stability and prosperity is being carried out vigorously.

The DPRK Government and its people will continue to oppose all kinds of domination and subordination, will build a new society, and will send active support and firm solidarity to the people of all countries to promote man's common cause. Independence, peace, and friendship are the unchanging foreign policy idea of our republic's government.

The idea of independence, peace, and friendship elucidated by the respected and beloved leader Comrade Kim Il-song when he was alive reflects our people and the

world's people's common desire and will to build an independent, peaceful, and friendly new world. This is also the principle of our foreign activities consistently adhered to by our republic's government.

As in the past, our republic's government will continue to unite with the world's people advocating independence, will further consolidate the ties of friendship and cooperation, will safeguard the world's just peace and security, and will sincerely fulfill our duty in man's common cause to build an independent and prosperous new world.

Received by UN Secretary General

*SK0910050894 Pyongyang Korean Central
Broadcasting Network in Korean 0100 GMT 9 Oct 94*

[FBIS Translated Text] On 6 October, UN Secretary General Butrus Butrus-Ghali received Vice Foreign Minister Choe Su-hon, head of the DPRK delegation, who was participating in the 49th UN General Assembly meeting.

During the meeting, the head of the delegation conveyed the dear leader Comrade Kim Chong-il's greetings to UN Secretary General Butrus Butrus-Ghali.

The secretary general expressed deep gratitude, and asked the head of the delegation to convey his warm greetings to the dear leader Comrade Kim Chong-il. He once again expressed deepest regret over the death of the great leader Comrade Kim Il-song, and said he is grateful for the warm hospitality he received during his visit to the DPRK in December of last year.

Butrus Butrus-Ghali talked about the nuclear and reunification issues on the Korean peninsula, stating he is closely observing the DPRK-U.S. talks being held in Geneva.

Paper Describes Russian Reactor Model's Assets

*SK1210025294 Pyongyang KCNA in English 2210
GMT 11 Oct 94*

[“Russian Paper Refutes Abuses Heaped by S. Korean Authorities on Russian Reactors”—KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 11 (KCNA)—The Russian weekly PATRIOT No. 40 carried an article on the campaign launched by the South Korean authorities to decry Russian atomic reactors while advertising “South Korean-type light water reactors” after the provision of light water reactors to the Democratic People's Republic of Korea was brought up at the recent talks between the DPRK and the United States.

The article titled “Ambition Behind Slander” says:

Russia made a contract with the DPRK for providing VVER-type light water reactors in the days of the Soviet Union, but could not carry it out after the collapse of the Soviet Union.

Now, there has arisen a possibility for placing it on the agenda again.

But, there are some forces that bitterly hate this development of the situation. Therefore, they are trying to obstruct it by all means, one of which is most despicable slander. The South Korean authorities organised a blatant smear campaign against Russian reactors while offering "South Korean-type light water reactors" to the DPRK in a "patronising manner."

The safety and economic value of the VVER-500 reactors that Russia plans to provide to North Korea have already been verified by nuclear experts of Russia and other countries.

The VVER reactors were developed by Russia on its own design and they have won international recognition, like the Westinghouse [as received] type of the United States, the CP-1, P-4 and M-4 types of France and other types of various countries.

It is a far-fetched act for the South Korean rulers to question the safety of the VVER type, basing their argument on the Chernobyl incident. The Chernobyl reactor is an RBMK type which uses graphite as moderator and light water as coolant.

Failing to utter a word about the VVER-500 type light water reactors that Russia plans to provide to North Korea, they are setting in-motion atomic energy experts and media to make a fuss over "safety defects" and "technical backwardness" of the Russian atomic power stations as a whole and letting out words hurting the pride of Russians, citing the shortcomings of the old types and the RBMK type the system of which is different from that of the VVER type.

At a South Korea-U.S.-Japan working consultative meeting in Washington on June 30 and July 1, the South Korean authorities charged that "the VVER type is unfit as reactors to be provided to the North because it has a fatal defect in safety and its technology is backward."

These days, South Korean newspapers fill their pages with abuses heaped on Russian reactors, contending that "many necessary factors are not reflected in the designs of its systems," that "they have no garage, the most important facility for safety" and that "they must be revised with the help of U.S. corporations because they have many safety problems."

The South Korean monthly WOLGAN CHOSUN No. 8 quoted South Korean experts who had inspected Russian atomic power stations as maliciously charging that "Russia is not much concerned about the safety of operating reactors, and the atomic power stations are untidy."

This is a slander of political tint, which goes beyond commercial competition.

The South Korean authorities' argument about the "untidiness" of Russian atomic power stations, after

their long string of abstract and distorted phrases about "technical defects", in fact, reminds us of a villainous grandson slapping his grandpa on the face.

South Korea which has developed no reactor of its own is far below comparison with Russia which has an atomic energy history of more than 40 years.

The "South Korean-type light water reactors" which the South Korean authorities attempt to take to North Korea, elbowing out Russia, are "Phantom" reactors which were abruptly faked up after the provision of light water reactors to North Korea was put on the agenda.

Under the Park Chung-hee regime, South Korea began introducing foreign technology for the purpose of nuclear development and put into operation reactor No. 1 of the Kori atomic power station based on the technology of the United States in 1978.

The seven light water reactors which have since been built and put into operation are based on technologies of U.S. and French corporations. One heavy water reactor in Wolsong is based on the technology of the AECL [Atomic Energy of Canada Limited] Corporation of Canada.

So far, South Korea has only imported atomic reactors and never received an order, nor exported any.

Uljin reactors Nos. 3 and 4 "South Korean type" by the South Korean authorities are unfinished ones, whose designs have not yet been submitted for international deliberation and their construction has progressed 60 percent. These reactors are based on defective designs.

The U.S. Combustion Engineering Co. is responsible for the reactor core, the General Electric Co. for the turbine generators and the Sergeant and Lundy Co. for the designing, technology and service. It is claimed that South Korean firms have undertaken the manufacture of machines. But, as they cannot do it by themselves, U.S. firms are their subcontractor and advisor.

Not without reason officials of the atomic power stations of South Korea confess that "the localisation of atomic reactors" is nominal and there is no change in the dependence on foreign countries in technologies of atomic power stations. South Korea's atomic reactors are considerably vulnerable also in view of safety and economic value.

For the technical inferiority in designing, construction and materials compared with light water reactors of other countries, South Korea's atomic power stations fail to guarantee their economic advantages.

This shows that "South Korean-type light water reactors" are a "Phantom" and "congenital cripple."

The selection of light water reactors for North Korea is not a matter which can be settled with the South Korean authorities' slanders. The choice will be made on the basis of the history of atomic power generation, the modernization level of technical facilities, the economic

advantages and the guarantee of safety. It is the DPRK that has the right to choose them.

When the so-called "South Korean-type light water reactors" were rejected at recent working-level discussions between the DPRK and the United States in Berlin, the South Korean authorities again demanded "nuclear transparency" of North Korea.

The uprightness of North Korea in the "transparency of past nuclear activities" is recognised objectively. Not to speak of the international community, even the South Korean "President," Kim Yong-sam, said "there is no nuclear weapon in the North" at a press conference on December 28 last year and on other occasions.

U.S. President Clinton made a similar statement on an official occasion and the U.S. State Department and the Central Intelligence Agency said they have "no evidence that North Korea has nuclear weapons."

It is South Korea that must provide the transparency of past nuclear activities.

In view of the nuclear transparency today and tomorrow, North Korea opened a way of a firm guarantee by sealing up the 5 megawatt reactor and the radiochemical laboratory within the framework of nuclear freeze.

Meanwhile, a powerful heavy water reactor is in operation in South Korea, and a large amount of plutonium in the form of dioxide mox is making its way into South Korea. The rumour has it that nuclear weapons are being manufactured at an underground nuclear base of Mt. Kyeryong.

If nuclear transparency is to be provided, South Korea must clarify the truth of its past nuclear development. And it must close the Wolsong heavy water reactor in response to North Korea's nuclear freeze, stop importing plutonium and accept a special inspection of the underground nuclear base of Mt. Kyeryong.

U.S. Paper Cited Denouncing 'Threats' to North

SK1210102594 Pyongyang KCNA in English 1015 GMT 12 Oct 94

[FBIS Transcribed Text] Pyongyang, October 12 (KCNA)—The U.S. paper WORKERS WORLD in an editorial October 6 pointed out that at a time when talks were under way between the Democratic People's Republic of Korea and the United States for the normalization of the bilateral relations, the U.S. Government deployed large-carrier flotillas in the East Sea of Korea [Sea of Japan] and staged military exercises with Japan and it held joint manoeuvres with the South Korean puppets in late August, increasing military threats to socialist Korea.

Recalling the remarks of the commander of the U.S. Pacific Fleet that the deployment of the U.S. carrier flotillas was aimed at "backing the DPRK-U.S. talks

with strength", it viewed this as an indication of Washington's ulterior intention at the Geneva talks.

It cited materials showing that the United States has persistently threatened North Korea over the issue of the Nuclear Non-Proliferation Treaty, while transferring nuclear weapon technologies to Japan.

It said the hardline conservatives in the U.S. military are attempting to hinder the DPRK-U.S. talks, bluffing after the Haitian incident.

Foreign Leaders Cited on U.S. Policy on North

SK0810111394 Pyongyang KCNA in English 1023 GMT 8 Oct 94

["Strong-arm Policy of U.S. Does Not Work on Korea"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 8 (KCNA)—The world political and public circles denounced the United States for resorting to military threats behind the curtain of its talks with the Democratic People's Republic of Korea.

The Central Committee of the Workers and Peasants Party of Nepal in a statement September 28 described the deployment of aircraft carrier flotillas in the East Sea [Sea of Japan] of Korea by the United States, timed to coincide with the DPRK-USA talks for a solution to the nuclear issue on the Korean peninsula, as part of its military threats to undermine the position of the DPRK and a deliberate act to unleash a war on the Korean peninsula.

It urged the United States to immediately give up the new war provocation moves and the brigandish demands and approach the dialogue with sincerity.

E. Balanandan, Politburo member of the Central Committee of the Communist Party of India (Marxist) and chairman of the Centre of Indian Trade Unions, in a statement September 29 said the strong-arm policy by the United States is anachronistic and does not work on Korea.

The United States must renounce its military threats to the DPRK and show a sincere and honest attitude at the talks in the spirit of the joint statement and agreed statement between the DPRK and the United States, he demanded.

Amaral Mitos, first executive secretary of the Mozambican Committee for Friendship With the People of the Democratic People's Republic of Korea, in a statement September 27 said that the United States must go home, taking along its nuclear weapons and aggression forces from South Korea, clearly mindful that the Korean people will never be frightened even if it reverses the DPRK-USA agreed statement and resorts to the use of arms.

Kim Yong-sam Denounced for Remarks on Team Spirit

*SK1210064294 Pyongyang KCNA in English 0454
GMT 12 Oct 94*

["Reckless War Hysterics Precipitating Their Own Doom"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 12 (KCNA)—The traitor Kim Yong-sam recently told a press conference that "The Team Spirit exercises cannot but be resumed when it is necessary," slinging mud at the North.

Meanwhile, "Unification Minister" Yi Hong-ku, "Foreign Minister" Han Sung-chu, "Defense Minister" Yi Pyong-tae and other South Korean puppets reportedly "decided to actively examine a plan" to stage the Team Spirit within next month.

Such an adventurous act of the puppets is an intolerable grave military provocation against the North and this is very dangerous developments driving the situation of the Korean peninsula back to the phase of total confrontation and to the brink of a catastrophic war.

It is stipulated in the agreed conclusions between the Democratic People's Republic of Korea and the United States that the Team Spirit will be suspended this year.

Nevertheless, the South Korean puppets are now crying that they would resume the joint military exercises in case the DPRK-U.S. talks "collapse." This clearly indicates that they are trying hard to bring the talks to a rupture and isolate and stifle the North.

This act of the traitor is the blackest crime which will never be condoned, a criminal act for plunging the Korean nation into a war disaster.

If the Kim Yong-sam group dare start a war, it will lead it to destruction.

ROK's 'Aggravating' of Situation Denounced

*SK1010065594 Pyongyang Korean Central
Broadcasting Network in Korean 1220 GMT 9 Oct 94*

[Commentary by Kim Ho-sam: "Why Are They Deliberately Aggravating the Situation?"]

[FBIS Translated Text] The South Korean puppets are again making absurd, bellicose remarks to slander us.

According to a report from Seoul, during the so-called National Assembly inspection of the administration, the Kim Yong-sam group forced the puppet director of the Agency for National Security Planning [NSP], the Army Chief of Staff, the Air Force Chief of Staff, and the like to rave about a southward infiltration, an arms buildup, an intensification of training, and so on, thus instigating a confrontation.

Furthermore, the Kim Yong-sam group again put forward the rumor of so-called underground tunnels, which was revealed to be a self-produced drama concocted by the NSP several years ago. As a result of exposing the true aspects of this scandal to the public, the Kim Yong-sam group was humiliated.

The fact that the Kim Yong-sam group made puppet heads of the NSP and armed forces issue ulterior remarks and wage heinous acts to provoke us is a brigandish theory, just as a thief yelling, "Stop thief!"

The puppets' recent absurd remarks and reckless acts cannot otherwise be regarded as totally preplanned and deliberate from beginning to end. We cannot but take them very seriously.

When the imperialists waged commotions about our nonexistent nuclear suspicion, the traitor Kim Yong-sam wildly and recklessly ran amok in front of the others, without even knowing the direction, crying that sanctions must be imposed on the North.

Besides, as soon as he entered Chongwadae [presidential offices], the traitor Kim Yong-sam resumed the Team Spirit joint military exercise, which had been suspended since the latter part of the Sixth Republic, and each day staged northward aggressive war exercises under various signboards such as "Hwarang," "Ssangyong," "Ulchi Focus-lens," "Eagle," and the like. Moreover, he himself busily toured the front lines and sites of the war exercises, dressed in military uniform and spreading rumors about the war crisis. Thus, he unhesitatingly instigated a North-South confrontation.

The Kim Yong-sam group allotted enormous sums of money totalling more than 10 trillion won for this year's military expenditures, which no previous dictator could dare conceive of doing. Not satisfied with this, next year the Kim Yong-sam group is going to allocate a further trillion won more than this year's budget for military expenditures.

The traitor Kim Yong-sam, a warmonger, brought in numerous war equipment from the United States this year, including Patriot missiles. Not satisfied with this, he decided to purchase new U.S. military equipment totalling more than one hundred million dollars. He is now actively pushing ahead with his purchase.

The traitor Kim Yong-sam ranks first among all successive puppet traitors in feeding the U.S. military monopolies with blood taxes collected from the people.

What should not be overlooked is that the traitor Kim Yong-sam solicited to resume this year's Team Spirit joint military exercise during the Annual Security Consultative Conference held in Washington this month between South Korea and the United States. He earnestly asked the United States to stage the exercise each year on a regular basis beginning next year.

Indeed, the Kim Yong-sam group is wildly and recklessly running amok to again ignite the flames of conflict between fellow countrymen on the Korean peninsula in collusion with outside forces in an attempt to achieve its ambition for reunification through victory over communism.

This was proven by the gibberish presented by the traitor Kim Yong-sam during a ceremony on the so-called Armed Forces day on 1 October that stated it is his invariable goal and dream to achieve national reunification under the system of a liberal democracy.

The traitor Kim Yong-sam's gibberish means he will expand the U.S. imperialists' colonial rule even to our northern half by means of war. This is a vicious challenge to the people's aspirations for an independent and peaceful reunification of the nation. This dream of the traitor Kim Yong-sam is a preposterous wild fantasy which cannot be realized.

Popular mass-centered socialism of our own style is a most superior socialist system that was chosen by our people with faith, and which is developing with each passing day through the strength of singlehearted unity. It is our life and living.

The attempt to destroy our socialist system is a foolish act, the same as trying to destroy a firm rock with a rotten egg.

The traitor Kim Yong-sam, engrossed with confrontation and new war provocations, is committing a grave crime that cannot ever be pardoned before the nation and before history.

The traitor Kim Yong-sam, apart from expressing condolences on the occasion of the nation's greatest misfortune in July, issued an emergency order and lowered guns at fellow countrymen who were overwhelmed by sorrow, thus acting rashly.

The traitor Kim Yong-sam, who only pursues nation-selling flunkeyism and division, blocked overall North-South dialogue, which continued even during the period of the former dictators, in an attempt to establish a cooperative system with the United States aimed against us. He not only froze North-South relations, but also returned the situation on the Korean peninsula to the original point of confrontation that existed before the Sixth Republic.

No matter what excuses the Kim Yong-sam group may present, it can never escape its criminal responsibility as the ringleader who led the situation to the brink of war in collusion with outside forces.

As long as these rascals remain intact, the South Korean people cannot live peacefully, and reconciliation and unity of the people, as well as peace and peaceful reunification of the nation, cannot be achieved. Rather, the calamities of war will be brought upon our people. This is as clear as daylight.

Today, all fellow countrymen say they do not regard Kim Yong-sam as a fellow countryman or a human being, and will never associate with him. They demand a hard blow be dealt to the puppet traitor.

The only place the traitor Kim Yong-sam can go by pursuing confrontation and war is to the grave.

Anti-Kim Yong-sam Leaflets 'Scattered' in Pusan *SK1010110994 Pyongyang KCNA in English 1034* *GMT 10 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 10 (KCNA)—A leaflet calling for the overthrow of traitor Kim Yong-sam was scattered around the district office in Pokchon-tong, Tongnae District, Pusan, South Korea some time ago, according to a report of radio Voice of National Salvation [VNS] from Seoul.

The leaflet titled "Down With Kim Kong-sam" (Kong means zero, or young) said:

Kim Yong-sam's "reform" has ended up in a failure, getting the mark "zero" and his diplomacy also got the lowest mark "zero" for being flunkeyist and treacherous humiliating diplomacy depending on outside forces.

Kim's relations with the North has gone back to the original point, registering "zero," after he exposed to the world his inhuman, anti-ethical and anti-moral sight by suppressing people expressing condolences on the death of President Kim Il-song, the leader of the nation. Kim Yong-sam became "president" as three zeros. And now he has really got three "zero" marks. So there is nothing to expect from Kim Kong-sam.

Saying the days of Kim Kong-sam are numbered, the leaflet calls upon all the citizens to overthrow Kim Kong-sam, a human rubbish and a political idiot, with their united strength.

A similar leaflet was scattered around Pusan University and a department store in the city.

Hanminjon Sends Kim Chong-il Congratulations *SK1010052294 Pyongyang KCNA in English 0515* *GMT 10 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 10 (KCNA)—The dear leader Comrade Kim Chong-il received a congratulatory message from the Central Committee of the South Korean National Democratic Front (Hanminjon) on October 10 on the occasion of the 49th founding anniversary of the Workers' Party of Korea (WPK).

Noting that the founding of the WPK was a brilliant fruition of the respected leader Comrade Kim Il-song's original idea and theory of party building and a solemn birth of the first revolutionary party of *chuche* type in history, the message says:

The WPK has performed immortal feats in the protracted and glorious struggle for the cause of socialism, the human cause of independence, under the tested guidance of you, Comrade Kim Chong-il, the great leader of the cause of *chuche*.

By acclaiming you, Comrade Kim Chong-il, an outstanding leader of the present times, at its head, the WPK has been able to dynamically push ahead with the grand historical cause of transforming nature, society and man as required by *chuche* under the banner of modelling the whole society on the *chuche* idea, thus exalting the dignity of the northern half of the country in the whole world as a peculiar powerful socialist country of *chuche* centred on the masses.

Remaining true to what the respected leader Comrade Kim Il-song intended in his lifetime and his behests, the WPK is further consolidating the singlehearted unity of the whole party, the entire people and the whole army with you, Comrade Kim Chong-il, as the core, demonstrating the invincible vitality of socialism in socialist economic construction and *chuche*-oriented diplomatic activities and making a distinguished contribution to the accomplishment of the cause of socialism and the cause of global independence by applying the idea of independence, friendship and peace.

Our Hanminjon has been able to stoutly grow into an organization representing the desire and intention of the people and into a patriotic vanguard of the movement for a change of South Korea because it has you, the great Comrade Kim Chong-il, as the leader of the nation and is guided by the immortal *chuche* idea.

We will work out a correct fighting strategy in compliance with the requirements of the rapidly-changing situation, build a powerful driving force of the revolutionary movement by concentrating all efforts on modelling the ranks of our Hanminjon on the *chuche* idea and on awakening and organising the people and, for the present, open up a new epochal phase in the struggle to overthrow the heinous "civilian" dictatorial "regime" and achieve the independent reunification against the U.S.

The country is sure to be reunified and an eternal prosperity of the nation is firmly guaranteed because we have you, the great Comrade Kim Chong-il, as the outstanding leader.

The congratulatory message sincerely wishes Comrade Kim Chong-il good health and a long life.

ROK Professor Cited Praising Kim Chong-il

SK0810112494 *Pyongyang KCNA in English* 1028
GMT 8 Oct 94

[FBIS Transcribed Text] *Pyongyang*, October 8 (KCNA)—A South Korean university professor highly praised the dear leader Comrade Kim Chong-il as the

incarnation of independent politics, according to a report of radio Voice of National Salvation from Seoul.

Professor Yi, when he was present at a scientific seminar "On the situation of the Korean peninsula and the prospect of reunification" which was held at an institute of Inha University, Incheon, on September 13, said that it is a brilliant fruition of the sagacious leadership of the dear leader Kim Chong-il that the North is displaying its imposing appearance as a (?totally) independent state today.

He further said:

"The dear leader Kim Chong-il regards independence as the life and soul of the nation and decisively rejects any form of foreign interference and flunkeyism. This is concentrically reflected in the attractive political slogans "Let us meet the requirements of *chuche* in ideology, technology and culture!" And "Let us live our own way!" and Korean nation first spirit put forward by the dear leader.

"If our nation with King Tangun as its father, proud of its state with a history of 5,000 years, is to display its prestige to the world as a dignified nation and live a proud life, it must uphold the leadership of the dear leader Kim Chong-il.

"The glory of our Korean nation lies in upholding the dear leader, the incarnation of independent politics."

The professor called upon those present to oppose all manner on foreign interference and anti-national acts of the flunkeyist traitors and accomplish the noble cause of reunification in the 90's without fail with the united strength of our nation, following the statesmanship of independent politics of the dear leader Kim Chong-il.

Indian, French Figures Endorse 'Confederal' Plan

OW0710154394 *Pyongyang KCNA in English* 1505
GMT 7 Oct 94

[FBIS Transcribed Text] *Pyongyang*, October 7 (KCNA)—Indian and French public figures expressed full support to the proposal for founding the Democratic Confederal Republic of Koryo, considering it to be the most realistic and reasonable proposal.

Rajaji Matheu Thomas, general secretary of the All-India Youth Federation, said in a statement on September 23 that the Great Leader Comrade Kim Il-song put forward the historical proposal for reunifying the country by means of founding the DPRK, basing himself on the principle and idea of the historical North-South joint statement and taking into consideration the specific reality in which different idea and system exist in the North and the South of Korea.

"This proposal is accepted and supported by the international community, not to speak of the Korean people, as it is the most realistic and reasonable proposal for achieving Korea's reunification independently and

peacefully and on the principle of great national unity without outside interference," he said.

He said it is entirely owing to the South Korean authorities' policy of dependence on outside forces and confrontation against reunification that the DPRK founding proposal has not yet been brought into practice.

"The South Korean authorities must make a bold decision to accept this proposal, though belatedly, instead of advertising what they call 'liberal democratic system'," he urged.

The France-Korea Friendship Association said in a statement on September 26:

"The proposal for founding the Democratic Confederal Republic of Koryo advanced by president Kim Il-song in October, 1980, is a proposal which makes it possible to reunify the country independently and peacefully in conformity with the desire of the Korean people for the reunification of the North and the South with their political and social systems left intact, smashing all the attempts to reunify the country by absorbing the other."

The statement called upon the French public to support this proposal.

Cilreco Urges Support for Korea's Reunification

*SK0810152794 Pyongyang KCNA in English 1505
GMT 8 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 8 (KCNA)—The International Liaison Committee for Reunification and Peace in Korea (Cilreco) on September 29 called on all its regional and national committees and friendship and solidarity organisations to actively support the Korean people in the struggle for national reunification during the month of support to the proposal for founding the democratic confederal republic of koryo. In an information distributed to them, the Cilreco said the U.S. Forces' occupation of South Korea for nearly half a century is the basic cause of the artificial division of Korea and the immeasurable sufferings and disasters inflicted on the Korean nation.

With the Cold War coming to an end, it is high time the U.S. Forces withdrew from the Korean peninsula, the information said, urging the United States to take measures for the withdrawal of its troops from South Korea in keeping with the trend of troop pullout in the West.

The information reminded the regional and national committees and organisations for friendship and solidarity with the Korean people that this is "the year of international solidarity for support to Korea's reunification through confederation," and called on them to actively wage a solidarity movement in diverse forms such as press conference, rally, demonstration and publication of a statement and build up public opinion in favor of the consistent position and well-intentioned negotiating attitude of the DPRK in the nuclear issue. It also called for an active participation in the signature

campaign for support to "10-point programme of the great unity of the whole nation for the reunification of the country," support to the South Korean patriotic forces and people in the struggle for independence, democracy and reunification and pressure on the South Korean authorities to remove the judicial and physical barriers to Korea's reunification such as the "National Security Law" and the concrete wall and take an independent position of attaching importance to the interests of the Korean nation.

It also called for solidarity with the Korean people in the struggle to defend the dignity and sovereignty of the country and (?preservation) of the Korean peninsula.

Daily Urges Reunification Through Confederation

*SK1010110694 Pyongyang KCNA in English 1048
GMT 10 Oct 94*

["NODONG SINMUN Calls For National Reunification Through Confederation"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 10 (KCNA)—The establishment of the democratic confederal republic of koryo (DCRK) proposed by the great leader Comrade Kim Il-song is a banner of national rebirth which illumines the way of national reunification to the Korean people, NODONG SINMUN today says, calling for reunifying the country through a confederation formula as intended by him.

The paper in a by-lined article says:

The establishment of the DCRK proposed by the great leader Comrade Kim Il-song in his historic report to the sixth congress of the Workers' Party of Korea (October 10, 1980) is a most fair and reasonable way of reunification, in that it comprehensively answers to all questions concerning the founding and management of a unified state.

Since there exist different ideologies and systems in the North and the South of Korea, the country must be reunified on the principle of co-existence with neither side conquering the other or being conquered, and overwhelming the other or being overwhelmed, and through a confederation formula based on one nation, one state, two systems and two governments. The establishment of a pan-national unified state, a confederal state, is the most correct way of reunifying the country independently and peacefully in reliance on the united efforts of the whole nation in conformity with the common desire and will of the nation.

The proposal for founding the DCRK is a great church-based charter of national reunification which could be put forward only by the great leader Comrade Kim Il-song, a peerless patriot, the sun of the nation and the lodestar of national reunification, who wisely led the reunification movement of the Korean nation from the first days of the country's division, devotedly working to present reunification to the Korean nation as a gift.

What position one takes toward the DPRK-proposed confederation formula based on one nation, one state, two systems and two governments is a criterion showing whether one wants reunification or not and a touchstone distinguishing between patriotism and treachery. If the South Korean rulers are really interested in the reunification of the country, they must not dream of infeasible "unification by prevailing over communism" or mock the people and incite North-South confrontation with the fiction of "unification by communization" but must accept the DPRK-proposed realistic and reasonable confederation formula.

To reunify the country and accomplish the cause of national independence under the guidance of the dear leader Comrade Kim Chong-il is a behest of the great leader to our nation.

All the Koreans in the North, the South and overseas will uphold dear Comrade Kim Chong-il as the great leader of the nation and reunify the country independently and peacefully through a confederation formula without fail closely rallied around him, as wished by Comrade Kim Il-song.

Ministry Spokesman on Japan's Nuclear Stance

*SK1210110394 Pyongyang KCNA in English 1053
GMT 12 Oct 94*

["We Cannot Overlook Attempt of Japanese Authorities To Put Pressure Upon Us, DPRK FM Spokesman"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 12 (KCNA)—A spokesman for the Foreign Ministry of the Democratic People's Republic of Korea on Wednesday answered a question put by KCNA about the outcries of the Japanese authorities over the "nuclear issue" of the DPRK.

He said:

The Japanese authorities, hand in glove with the South Korean puppets, are behaving improperly these days, mumbling incoherently about the "nuclear issue" at a time when the third round of DPRK-U.S. talks are in session in Geneva. Playing petty tricks as regards the DPRK-Japan relations, they are letting out the impudent words that "the normalisation of the Japan-DPRK diplomatic relations can hardly be expected unless the suspected nuclear development is clarified," Japan, the United States and South Korea "confirmed their intention to closely cooperate with each other" in the "nuclear issue," and so on.

This is prompted by their insidious scheme to put brakes on the progress of the DPRK-U.S. talks, conceal their own nuclear armament and poke their nose into the solution to the "nuclear issue" on the Korean peninsula.

We can never overlook the fact that the present Japanese authorities, faithfully following the outdated hostile

policy of the successive reactionary government of Japan toward Korea, are attempting to bring a sort of pressure to bear upon the DPRK over the question of normalisation of DPRK-Japan diplomatic relations.

The normalization of DPRK-Japan diplomatic relations is not "a gift" of Japan to us, but a matter of her atoning for the crimes she committed against the Korean people and making a new start.

The Japanese authorities must clearly know that we will never deal with them as long as they persist on "the nuclear issue" which has nothing to do with the normalization of DPRK-Japan diplomatic relations.

Though nearly half a century has passed since the end of World War II, Japan, far from repenting of its crime-woven past and fully liquidating it, is accelerating militarization and nuclear armament. And it is running about to get a permanent seat in the United Nations Security Council and behave as "a political power" and "a military power."

This only reveals the frivolity of the case-hardened diplomacy of Japan which is not aware of its position.

If the present Japanese authorities blow hot and cold without their own principle, reading other's face, or even follow the dull orders of the South Korean authorities, as their successive predecessors did with no independence at all, they will exercise no "influence" but only invite international isolation and disgrace.

The Japanese Government should clearly see the trend of the time and act with discretion, though belatedly. This will be beneficial to itself.

Japanese 'Resolutions' on WW II Condemned

*SK1210102094 Pyongyang KCNA in English 1012
GMT 12 Oct 94*

["Ghosts of Militarism Raise Their Heads"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 12 (KCNA)—The Ehime and Aichi Prefectural Assemblies of Japan recently attempted to adopt "resolutions" describing the past aggression of Japan as something which "liberated Asian countries from centuries-old western rule" and the independence and prosperity of Asia as "a gift of the Japanese war dead."

Commenting on this, NODONG SINMUN today brands it as a deliberate distortion of the stark historical fact and an intolerable insult to the Korean and other Asian peoples who underwent immeasurable sufferings and disasters from the Japanese imperialists' brutal aggression and colonial rule and an open challenge to the Asian peoples and the world public demanding Japan's apology and atonement for the past crimes.

The analyst says:

The ruling quarters of Japan have adopted it as the state strategy to reproduce the past policy of aggression. In actuality, all the policies of the Japanese authorities are focused on it today.

They are hastening the conversion of Japan into a military power and its nuclear armament for overseas aggression.

Along with military preparations, they are making ideological preparations for overseas aggression.

The danger of revived Japanese militarism today is incomparably greater than it was in the past.

The militarist forces of Japan must act with discretion, remembering how dearly Japanese imperialism paid for its aggression in the past.

Japan Must Not Repeat 'Suppression' of Chongnyon

SK0810233494 Pyongyang KCNA in English 2205 GMT 8 Oct 94

[FBIS Transcribed Text] Tokyo, October 6 [date as received] (KNS-KCNA)—Han Myong-sok, vice-chairman of the Osaka Prefectural Headquarters of the General Association of Korean Residents in Japan (Chongnyon), made public a statement on October 5 on the fact that the Japanese authorities abandoned forcible search aimed at political suppression of the Osaka Prefectural Organisation of Chongnyon.

He said that the Japanese authorities resorted to an unprecedented suppression against the organisation by mobilizing some 1,400 police on the charge of "forcible obstruction of business", but were compelled to abandon the search, returning confiscated documents, in face of strong protest at home and abroad.

"The search was a premeditated and intentional political suppression which was committed as part of the hostile act against the DPRK under the pretext of fictitious 'nuclear suspicion'", he said, and continued:

"Chongnyon, a dignified organisation of overseas citizens of the DPRK, has been consistently active to defend the rights of Koreans in Japan, promote the independent and peaceful reunification of the homeland and develop Korea-Japan friendship, not interfering in the internal affairs of Japan."

He strongly demanded that the Japanese authorities abandon the anachronistic policy of antagonising and obstructing such just and noble patriotic activities of Chongnyon and not repeat suppression of it.

PRC Journalists, Chongnyon Delegation Arrive

SK1010054794 Pyongyang KCNA in English 0541 GMT 10 Oct 94

[FBIS Transcribed Text] Pyongyang, October 10 (KCNA)—A delegation of the All-China Journalists

Association headed by Secretary Xiao Dongsheng and delegations of Beijing University of China arrived in Pyongyang.

A home-visiting group of Koreans in Kanagawa Prefecture, Japan, under the influence of the General Association of the Korean Residents in Japan (Chongnyon) headed by Pae Kyong-il, director of the Kanagawa Credit Association of the Korea Bank, also arrived here.

PRC Friendship, Japanese Delegations Arrive

SK0810052994 Pyongyang KCNA in English 0419 GMT 8 Oct 94

[FBIS Transcribed Text] Pyongyang, October 8 (KCNA)—The Second Friendship Visiting Group of China led by Zhang Runshen, standing vice-president of the Hebei Committee of the Chinese People's Political Consultative Conference, arrived here on Friday [7 October].

On the same day, a home-visiting group of Korean students in Japan and the 225th short-term home-visiting group of Koreans in Japan arrived in Wonsan by the ship "Mangyongbong-92."

Chinese Visitor's Impressions of North Reported

SK0810151094 Pyongyang KCNA in English 1458 GMT 8 Oct 94

[FBIS Transcribed Text] Pyongyang, October 8 (KCNA)—The Democratic People's Republic of Korea owes its amazing development in socialist construction to the wise leadership of the great President Kim Il-song and dear Comrade Kim Chong-il, Wang Fuxiang, president of the Beijing Foreign Studies University, told reporters here.

Giving his impressions of Korea, he said:

"President Kim Il-song who turned Korea which had once suffered an eclipse on the world map into a powerful country and devoted his whole life to the happy life of the people was a great leader, indeed.

"The chuche idea founded by him displays a great vitality in the building of socialism in Korea. At the three-revolution exhibition, we could deeply feel the great vitality of the chuche idea.

"The Korean people are a great people and a heroic people. I sincerely wish the Korean people great success in socialist construction under the wise leadership of dear Comrade Kim Chong-il."

Referring to Sino-Korean friendship, he said: "We will as ever fight shoulder to shoulder with the Korean people in the same trench and cherish and defend through generations this friendship provided by the revolutionaries of the old generation."

Qian Qichen Arranges Banquet for Anniversary

*SK0910051094 Pyongyang Korean Central
Broadcasting Network in Korean 0100 GMT 9 Oct 94*

[FBIS Translated Text] Comrade Qian Qichen, vice premier of the PRC State Council and foreign minister, arranged a banquet on 7 October at the Diaoyutai State Guest House in Beijing to mark the 45th anniversary of the establishment of diplomatic relations between the DPRK and the PRC.

Invited to the banquet were the DPRK Foreign Ministry delegation led by Vice Foreign Minister Cho Kyu-il; Chu Chang-chun, DPRK ambassador to the PRC; and employees of the embassy. Comrade Qian Qichen, member of the Political Bureau of the CPC Central Committee, vice premier of the State Council, and foreign minister; Vice Foreign Minister Tang Jiaxuan; and other concerned functionaries participated in the banquet.

PRC Vice Foreign Minister Tang Jiaxuan and DPRK Vice Foreign Minister Cho Kyu-il gave speeches at the banquet.

In his speech, Vice Foreign Minister Tang Jiaxuan said that for the PRC and the DPRK to have officially established diplomatic relations 45 years ago showed the traditional friendly relations between the people of the two countries have entered a new historical stage. He added that after the establishment of diplomatic relations, the two parties, two governments, and two people of the PRC and the DPRK have supported and mutually promoted each other in carrying out the socialist cause; have carried out successful exchanges and cooperation in various fields, including the political, economic, military, science and technology, and cultural fields; and that satisfactory results were achieved.

Tang emphasized that under the leadership of President Kim Il-sung and the Workers' Party of Korea [WPK], the DPRK people achieved results in socialist construction that attract the people's attention. He said the death of President Kim Il-sung is a great loss to the DPRK people, and the Chinese people are also grieving over the loss of a great close friend. Tang also pointed out that the North Koreans will change their sadness to strength, and will firmly unite around the WPK Central Committee with Comrade Kim Chong-il at the forefront. He stated the North Koreans are struggling to fulfill the will of President Kim Il-sung when he was alive, emphasizing that the Chinese people truly hope the fraternal North Korean people will continue to complete President Kim Il-sung's revolutionary cause so new results can be achieved in the country's economic construction and in carrying out reunification.

Tang said consolidating the developing PRC-DPRK friendly and cooperative relations are a firm policy of the PRC party and government. He added that under today's international situation, the Chinese people, along with their DPRK comrades, will safeguard and

promote security on the Korean peninsula; will make constant efforts for peace and development in Asia and the rest of the world; and will hope that the flower of PRC-DPRK friendship will blossom all the more beautifully.

Participants at the banquet drank a toast for the traditional PRC-DPRK friendship and unity sealed in blood; for the great leader Comrade Kim Il-sung's eternal life; for the dear leader Comrade Kim Chong-il's long life; and for the long life of the PRC party and state leaders, including the respected Comrades Deng Xiaoping and Jiang Zemin.

Kang Song-san Sends Message to PRC Premier

*SK0910052694 Pyongyang Korean Central
Broadcasting Network in Korean 1300 GMT 6 Oct 94*

[FBIS Translated Text] Comrade Kang Song-san, premier of the Administration Council, sent a congratulatory message to Comrade Li Peng, premier of the PRC State Council.

The congratulatory message said it conveys warm greetings on the 45th anniversary of the establishment of diplomatic relations between the DPRK and the PRC, and pointed out:

After the establishment of diplomatic relations, the people of our two countries strengthened their friendship and unity on the single road of struggle for independence and socialism, and closely carried out cooperation and exchanges in all fields, including the political, economic, and cultural fields.

We are happy that the traditional friendly and cooperative relations between our two countries continue to develop amid today's complicated situation.

The congratulatory message said it believes the DPRK-PRC friendly and cooperative relations sealed by blood will continue to develop generation after generation through the joint efforts of the people of the two countries. It also truly hoped there will be greater results in the Chinese people's struggle to implement the decisions made at the 14th CPC National Congress and in building a modernized socialism with Chinese characteristics.

Receives Message From PRC Premier

*SK0910053394 Pyongyang Korean Central
Broadcasting Network in Korean 1300 GMT 6 Oct 94*

[FBIS Translated Text] Comrade Kang Song-san, premier of the Administration Council, received a congratulatory message from Comrade Li Peng, premier of the PRC State Council.

The congratulatory message sends enthusiastic congratulations to the DPRK Government and people on the 45th anniversary of the establishment of diplomatic relations between the PRC and the DPRK, pointing out:

During the past 45 years following the establishment of diplomatic relations, the friendly and cooperative relations between the PRC and the DPRK have been wholly intensified and developed, achieving notable results in various fields. This vigorously promoted the cause of socialist construction between the PRC and the DPRK.

We are happy and satisfied that relations between the two countries are developing well, and are certain the traditional PRC-DPRK friendship, which has overcome long trials, will continue to strengthen and develop through joint efforts by the two sides.

The congratulatory message hoped there will be new results in the premier's responsible work.

Reply Messages Sent to Foreign Leaders

*SK0910083594 Pyongyang KCNA in English 0801
GMT 9 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 9 (KCNA)—The Central Committee of the Workers' Party of Korea [WPK] and the Central People's Committee of the Democratic People's Republic of Korea sent messages to foreign party and state leaders in reply to their greetings on the occasion of the 46th birthday of the DPRK.

The WPK Central Committee and the DPRK Central People's Committee replied to Fidel Castro Ruz, first secretary of the C.C. [Central Committee], the Communist Party of Cuba, president of the Council of State and president of the Council of Ministers of the Republic of Cuba; Do Muoi, general secretary of the C.C., the Communist Party of Vietnam, and Le Duc Anh, president of the Socialist Republic of Vietnam. Reply messages of the WPK Central Committee were sent to the Central Committee of the Progressive Party of the Working People of Cyprus; Feliciano Salomao Gundana, secretary general of the C.C., the Mozambique Liberation Front Party; the Central Committee of the Congolese Party of Labour; the Central Executive Committee of the People's National Congress of Guyana; the Political Bureau of the Revolutionary Workers Party of Uruguay; Peter Symon, general secretary of the C.C., the Socialist Party of Australia; the Central Committee of the Norwegian Communist Party; and president Betty Frydensbjerg Carlsson and the international secretary of the Communist Party of Denmark.

The messages expressed deep thanks for their warm congratulations on the 46th birthday of the DPRK and the belief that friendly and cooperative relations between Korea and those countries and between the WPK and those parties would further strengthen and develop in conformity with the idea of independence, peace and friendship in the future.

Korean, Pakistani Press Agencies Sign Agreement

*SK0810052894 Pyongyang KCNA in English 0405
GMT 8 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 8 (KCNA)—An agreement on the exchange of information

and cooperation between the Korean Central News Agency and the Associated Press of Pakistan [APP] was signed here on Friday [7 October].

It was signed by Deputy General Director of KCNA Han Song-pok and Deputy Director General of APP Aslam Sheikh [spelling of name as received].

Yi Chong-ok Meets Kazakh, Pakistani Delegations

*SK0810044394 Pyongyang KCNA in English 0418
GMT 8 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 8 (KCNA)—Vice-president Yi Chong-ok on Friday [7 October] met and had a friendly conversation separately with the Kazakh Supreme Soviet delegation led by Vice-chairman K.S. Sultanov and the delegation of the Ministry of Information and Broadcasting of Pakistan led by Minister Khalid Ahmad Khan Kharal at the Mansudae Assembly Hall.

The heads of the delegations expressed deep condolences on the death of the great leader President Kim Il-song.

The head of the Kazakh delegation said that the great leader of the Korean people Comrade Kim Il-song was a great man who devoted his all to the happiness of the people.

"We sincerely hope that the Korean people will register new achievements in the building of socialism, turning their sorrow into greater strength and courage," he said.

He stressed the need to further strengthen and develop friendship and cooperation between the two countries.

The head of the Pakistani delegation noted that the great leader Comrade Kim Il-song enjoyed deep respect from the world people.

He said:

"The great leader will be always alive in the hearts of the peoples of Korea and Pakistan.

"The Pakistani people wish the Korean people greater achievements in fulfilling the behests of the great leader under the wise leadership of the dear leader Comrade Kim Chong-il.

"We consider that Korea's reunification should be achieved through negotiations and in a peaceful way, without any outside interference, and hope for a success in the talks between the Democratic People's Republic of Korea and the United States."

He stated that friendship and solidarity between Pakistan and Korea would grow stronger.

Thanks Pakistan for Support

BK0810155094 Islamabad Radio Pakistan Network in Urdu 1500 GMT 8 Oct 94

[FBIS Translated Text] Reports say that Federal Information Minister Khalid Ahmad Khan Kharal has had a

meeting with DPRK Vice President Yi Chong-ok in Pyongyang. The North Korean leader thanked Pakistan for the support to his country on the nuclear issue and the reunification of the Korean Peninsula. In response, Khalid Ahmad Khan Kharal expressed the hope that the nuclear issue between North Korea and the United States will soon be resolved peacefully.

Benazir Bhutto on Korea-Pakistan Friendly Ties

*SK1010053494 Pyongyang KCNA in English 0520
GMT 10 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 10 (KCNA)—Benazir Bhutto, prime minister of Pakistan, received the Korean delegation headed by Choe Hui-chong, chairman of the State Commission of Science and Technology, which had participated in the first ministerial meeting of the Scientific and Technological Commission for the Continued Development of the South on October 6.

The prime minister said the death of the great leader President Kim Il-song is a great sorrow and loss not only to the Korean people but also to the Pakistani people.

She noted that the government and people of Pakistan sincerely rejoice at the great achievements made by the Korean people in all fields of social life under the wise leadership of his excellency the dear leader Kim Chong-il.

She hoped that the friendly relations between the two countries provided by the great leader President Kim Il-song and his excellency Zulfiqar Ali Bhutto would be expanded and developed still further.

Pakistani Delegation Offers Impressions of North

*SK0610150794 Pyongyang KCNA in English 1457
GMT 6 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 6 (KCNA)—The Pakistani Youth Delegation led by Fakhar-ud-Din Chauhdry [spelling of name as received], liaison officer of the Ministry of Women Development and Youth Affairs, was interviewed by KCNA before it flew back home.

Fakhar-ud-Din Chauhdry said that during its stay in Korea his delegation was deeply impressed by the achievements made by the Korean people in socialist construction. All these are entirely results of the wise leadership of the great leader Comrade Kim Il-song, he added.

He said his delegation had learned a lot from Korean socialism. "The world could make much progress if it chose socialism and follow its path," he stressed.

He said respected Comrade Kim Il-song was the great leader not only of the Korean people but also of the revolutionary youth the world over.

Naveed Chandhry [spelling of name as received], a member of the delegation, said the great leader made big contributions to the strengthening and development of the youth movement in Korea, and added: "I am convinced that the youth work in Korea will be done better by the dear leader Comrade Kim Chong-il in the future."

North Delegation Leaves; Lao Delegation Arrives

*SK0810152894 Pyongyang KCNA in English 1507
GMT 8 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 8 (KCNA)—A delegation of the Democratic People's Republic of Korea headed by Kim Won-chin, chairman of the State Agricultural Commission, left here today to participate in the conference of ministers of agriculture of non-aligned and other developing countries slated in Indonesia.

On the same day, a delegation of the Ministry of Information and Culture of Laos led by Minister Osakan Thammatheva arrived in Pyongyang.

Anniversary of Ties With Cote d'Ivoire Observed

*SK0910094294 Pyongyang KCNA in English 0820
GMT 9 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 9 (KCNA)—MINJU CHOSON today observes the 10th anniversary of the establishment of diplomatic relations between the Democratic People's Republic of Korea and Cote d'Ivoire.

Noting that the two peoples after the opening of diplomatic relations have registered achievements in the efforts for building an independent and prosperous new society, supporting and cooperating with each other, the a by-lined article of the paper says:

The people of Cote d'Ivoire are directing big efforts to achieving the stability of the country and developing the economy.

Externally, Cote d'Ivoire is striving for the development of good neighbourly relations with its surrounding countries and for the unity of Africa.

Our people believe that the friendly relations between the two countries will grow in strength and develop in conformity with the desire of the two peoples in the future.

Indian National Congress Party Delegates Arrive

*SK0810153094 Pyongyang KCNA in English 1506
GMT 8 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 8 (KCNA)—A delegation of the Indian National Congress Party (I) led by Sushil Kumar Shinde, general secretary of the party, arrived here today.

It was greeted at the airport by Secretary Hwang Chang-yop and Vice Department Director Kim Yang-kon of the Central Committee of the Workers' Party of Korea and the charge d'affaires ad interim of the Indian Embassy here.

Talk With Kang Song-san 9 Oct

*SK1010054594 Pyongyang KCNA in English 0537
GMT 10 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 10 (KCNA)—Kang Song-san, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and premier of the Administration Council, met and had a friendly conversation with the delegation of the Indian National Congress Party (I) led by its General Secretary Sushil Kumar Shinde [spelling of name as received] on Sunday [9 October] at the Mansudae Assembly Hall.

The general secretary said that the great leader Comrade Kim Il-song led two wars to victories and defended the sovereignty of the country.

He noted that the Korean people are registering great achievements in the efforts for the development of the country, though they are confronted with the imperialists.

Expressing the hope that the Korean people would make greater achievements in the work for the prosperity and development of the country under the leadership of the dear leader Comrade Kim Chong-il, changing the bitter grief at losing the great leader into strength, he said:

"Our party and people will always continue to support the efforts of the Workers' Party and people of Korea."

On the same day, Kim Pyong-sik, chairman of the Central Committee of the Korean Social Democratic Party, met the delegation and had a friendly conversation with it.

Meet With WPK Delegation 9 Oct

*SK1010054994 Pyongyang KCNA in English 0539
GMT 10 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 10 (KCNA)—A delegation of the Workers' Party of Korea [WPK] held talks with the delegation of the Indian National Congress Party (I) in Pyongyang on October 9.

Present at the talks on the Korean side were secretary of the Central Committee of the Workers' Party of Korea Hwang Chang-yop, vice-department director of the WPK Central Committee Kim Yang-gon and other officials concerned, and on the opposite side were the members of the delegation led by Sushil Kumar Shinde [spelling of name as received], general secretary of the Indian National Congress Party (I).

At the talks, the sides informed each other of the activities of their parties and exchanged views on the

development of friendly relations between the two parties and a series of matters of common concern.

The talks proceeded in a friendly atmosphere.

Reception Given for Delegation

*SK0910093994 Pyongyang KCNA in English 0817
GMT 9 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 9 (KCNA)—The Central Committee [C.C.] of the Workers' Party of Korea [WPK] gave a reception for the visiting delegation of the Indian National Congress Party (I) at the Mansudae Assembly Hall Saturday.

In his speech secretary of the C.C., the WPK Hwang Chang-yop said the Indian National Congress Party (I) has registered enormous achievements in its activities against the imperialists' domination and interference and for the building of an independent and prosperous new society and wished the Indian people greater achievements in the future.

Noting that the present situation requires Korea and India, both non-aligned and developing countries, to further develop bilateral relations of solidarity, support and cooperation, he said the masters of Asia are the Asian nations.

"If the two parties and two peoples strengthen friendship and solidarity under the banner of independence against imperialism, it would greatly contribute to frustrate the imperialists' domination and interference in Asia and build a new Asia independent, peaceful and prosperous," he said, and declared:

"The Workers' Party and people of Korea will as ever make every possible effort to steadily consolidate friendship and solidarity with the Indian National Congress Party (I) and the Indian people in accordance with the idea of independence, peace and friendship."

In his speech general secretary of the Indian National Congress Party (I) Sushil Kumar Shinde, who is leading the delegation, said anyone in the world will never forget the fact that Korea was built as it is today under the guidance of the great leader Comrade Kim Il-song.

He noted that the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il made a great contribution to building the country and providing the Korean people and the world people with many happy things.

Pointing out that the Indians have heard the news that the honest-minded and industrious Korean people are advancing with a new prospect, he said the great Indian people and all the members of the National Congress Party (I) are convinced that the dear leader will inspire Korea and the world with fresh vigor.

He wholeheartedly wished the dear leader a long life in good health and greater achievements in the future.

Foreign Figures Comment on WPK Anniversary

*SK1010110494 Pyongyang KCNA in English 1030
GMT 10 Oct 94*

[“WPK Is Invincible”—KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 10 (KCNA)—Foreign public figures in their statements on the 49th founding anniversary of the Workers' Party of Korea [WPK] said the Workers' Party of Korea which is adhering to the principles of party building put forward by the great Comrade Kim Chong-il, the supreme leader, is invincible.

Stephen Nkomo, Politburo member and secretary of the C.C. [Central Committee], the Zimbabwe African National Union-Patriotic front, said:

“The Workers' Party of Korea founded by the great leader Comrade Kim Il-song on October 10, 1945, drove back foreign aggressors and successfully carried out social revolutions of two stages in a short time. It has turned the Democratic People's Republic of Korea into a powerful socialist state of independence, self-sufficiency and self-reliance in national defence.

“Dear Comrade Kim Chong-il propounded new theory and method of party work based on the *chuche* idea and saw to it that they were strictly applied to the party building and activities and thus has strengthened and developed the WPK to be a mother party enjoying undisputed trust of the popular masses and an invincible party forcing the way through storm and stress.”

Noting that the prospect of the WPK led by the great Comrade Kim Chong-il is vast and bright, he said that the Workers' Party and the people of Korea would step up more vigorously the independent and peaceful reunification of the country and socialist construction and accomplish the revolutionary cause of *chuche*, true to the behests of the great leader Comrade Kim Il-song.

Amaral Matos, first secretary of the Maputo City Committee of the Frelimo [Mozambique Liberation Front] party, said:

“The WPK has won fame in the history of world politics because it is guided by the greatest and most outstanding leader in the world and because the whole party is firmly armed with the revolutionary idea of its leader.

“It is entirely thanks to the outstanding and tested leadership of Comrade Kim Chong-il, the great leader, that Korea is fully demonstrating the advantages of Korean-style socialism, resolutely smashing the anti-socialist campaign of the imperialists today.”

Daily Marks 49th WPK Founding Anniversary

*SK1010100994 Pyongyang Korean Central
Broadcasting Network in Korean 0400 GMT 10 Oct 94*

[NODONG SINMUN 10 October editorial: “The Workers Party of Korea Which Has the Great Leader (widaehan yongdoja) Will Be Ever-Victorious Forever”]

[FBIS Translated Text] Today is a significant day marking the 49th anniversary of the founding of the glorious Workers Party of Korea [WPK], the organizer and leader [hyangdoja] of all the victories of our people.

All of our party members and people are welcoming this day embraced with the emotion of endless admiration and great sadness for having lost the respected and beloved leader Comrade Kim Il-song, who founded and led our party. Currently, our people are looking back at the long and glorious course and immortal achievements with the most lofty mind in which the great leader Comrade Kim Il-song led the *chuche*-oriented party building cause. Also, our people are overflowing with the rock-firm and blazing determination to complete to the end the party's cause and the *chuche* revolutionary cause, according to the leadership of the dear leader Comrade Kim Chong-il.

The respected and beloved leader Comrade Kim Il-song founded the WPK 49 years ago. This was a historical event bringing about a great turning point in our people's revolutionary struggle and political life.

The great leader Comrade Kim Il-song has taught: The founding of our party was the birth of a *chuche*-oriented revolutionary party, the first in history, and it was a brilliant fruition of the Korean communists' long struggle to found a working class revolutionary party.

The party building cause by the working class is victoriously pioneered and completed by the great leader [suryong] and the great leader [yongdoja]. From the early days when he advanced toward the revolutionary road, the great leader Comrade Kim Il-song turned deep interest in the work to build a working class revolutionary party. During the arduous anti-Japanese revolutionary struggle days, he provided a deep and strong historic root of our party, and based on this, he brilliantly realized the historical cause of promptly founding the party after liberation.

The founding of our party was the birth of a *chuche*-oriented revolutionary party, the first in the history of the communist movement. With the founding of our party, it was possible for the Korean revolution to possess its strong and mighty political general staff, and under the leadership of the party, it was possible for our people to victoriously advance the revolution and construction.

From the time of founding the party, the basis of our revolution—which is the unified body of the leader, the party, and the masses—was strengthened by all means, and the era of prosperity advancing according to the party's leadership was unfolded on this land.

Truly, the realization of the historical cause of the party founding is the greatest accomplishment achieved by the great leader Comrade Kim Il-song in carrying out the *chuche* revolutionary cause and providing happiness to all generations. After its founding, our party walked the

road of proud victories and glory, and accomplished immortal achievements that will eternally elucidate in history.

The history of almost 50 years during which our party has walked, is a history of feats in which the appearance of the fatherland was fundamentally renewed by leading the most difficult and complicated social revolution and construction work without the slightest deviation; is an ever-victorious history in which the gains of the revolution and socialist cause were honorably defended from the wicked enemies; and is a glorious history in which the issue of the succession of the leader was brilliantly resolved and the revolution's assets for the ages were firmly provided.

In this long and sacred struggle, our party obtained the popular masses' absolute support and faith, and was strengthened and developed into an invincible revolutionary party possessed with abundant experience and refined leadership.

The great leader Comrade Kim Il-song was always standing at the forefront of our party, which overcame the arduous storm of the revolution and lead [hyangdo] the era. During the period of the new road for building a new society and the arduous fatherland liberation war, and during the period of the difficult postwar rehabilitation and construction and socialist construction extending various stages, the respected and beloved leader's efforts and devotion to strengthen and develop our party are countless.

Thanks to the great leader's energetic leadership without sleep or rest, our party has been able to display its honor as a party that does not know vicissitudes or failure, and as an iron-strong party that is unswayable in any stormy wind.

The achievements of the respected and beloved leader Comrade Kim Il-song, who opened a new origin of the chuche-type party building under the banner of the Down-With-Imperialist Union at his early age and raised our party to become a mightiest and prosperous revolutionary party through the long course of the revolutionary struggle, will shine forever.

Today the WPK is confidently leading our people's struggle to complete the chuche cause, upholding the dear leader Comrade Kim Chong-il at the head [chin-due]. It was indeed a great loss for our party and people to lose the great leader who had wisely led the party building cause since the beginning of the revolution. However, our party is never frustrated or depressed, and its faith in victory is firm. Although the founder of the party has left us, our party leadership is firmly being succeeded, and the party's militant power and its leadership have further been strengthened.

The organizational and ideological basis of our party upholding the great leader [yongdoja] is firm, and nothing can destroy it. Today, the invincible might of

our party that stoutly retains its life under the leadership of the dear comrade leader gives a firm faith in bright prospects of the socialist, communist cause to our people and the revolutionary people of the world.

Our honorable party is displaying its pride as the prosperous revolutionary party that brilliantly inherits the chuche blood line prepared by the great leader Comrade Kim Il-song. The party cause is succeeded generation after generation, and the working-class party should invariably defend its blood line until it completes its historic mission. Our party's chuche blood line can be said to be the great leader Comrade Kim Il-song's ideas, theories, and his revolutionary achievements and experience in struggle, as well as the leader-style work method. It is boundlessly precious for it has been achieved through a long, unprecedentedly serious struggle, and it has eternal vitality for strengthening and developing our party and for achieving the victory of our revolution.

There have been many trials and obstacles on the road of the Korean revolution, our party has invariably and stoutly retained its blood line. Particularly in the struggle to model the entire party after the chuche idea, the party's unitary ideological system has firmly been established, and the entire party has come to overflow with the iron will to glorify the chuche blood line through generations.

Today, our party considers defending its blood line to be a key issue that influences the party's destiny and the revolution's prospect, and is concentrating great efforts on this.

It is our party's unchanged position to carry out the party building and socialist construction by making not only the present generation but following generations adhere to the great leader Comrade Kim Il-song's revolutionary idea, the chuche idea, as the party's eternal leadership idea, and completely inherit the leader's immortal achievements.

Upholding the teaching left by the great leader Comrade Kim Il-song, the entire party, all the people, and the entire Army are now bravely carrying out the struggle to implement it, thanks to the wise leadership of our party that endlessly values the chuche blood line.

Our party is not a party that does not observe the teaching of the leader who pioneered the revolution and founded the party when it faces a shift in generation for the revolution or is faced with obstacles. Today our party is filled with the lofty spirit to purely inherit the party's revolutionary traits and its bloodline. All party works and activities are being carried out based on this.

Our party can brilliantly consummate the chuche revolutionary cause pioneered in the thick forest of Mt. Paektu because it is highly displaying its dignity with an appearance and attitude of a genuine chuche-type party and as the great leader Comrade Kim Il-song's party. The

WPK is greatly demonstrating its majestic appearance as the party with single-hearted unity. All party members are bravely advancing, firmly united around the great leader [yongdoja].

The single-hearted unity is our party's honorable tradition and the banner of ever-victorious spirit. Our party has made its way through the severe and perilous road of revolution, with the strength of unity and cohesion, and has endlessly created miracles and feats, surprising the world. This great single-hearted unity that has enabled the history of our party's struggle embroidered with brilliant victories and feats has now reached a loftiest level under the leadership of the dear leader Comrade Kim Chong-il.

While bidding the last farewell to the fatherly leader, all our party members and people vowed with ardor the iron-firm pledge to consummate the party's cause by inheriting to the last the tradition of single-hearted unity that has stoutly been retained since the beginning of the revolution.

Bearing deep in their hearts the great honor of upholding the great leader [yongdoja] at the center of the unity and of the leadership, our party members now entrust all their destinies to their leader [yongdoja] and uphold the party's leadership, fulfilling their loyal and filial duties.

It is the proud appearance of our party with the single-hearted unity that all party members think and act according to the ideas and intent of the dear leader Comrade Kim Chong-il, act as one under the party center's leadership, and implement the party's decisions and orders absolutely and unconditionally.

The unity and cohesion of our party and the revolutionary ranks have become stronger than ever today when a perfect unity between the leader [yongdoja] and fighters and between the party and the people has been achieved in ideological will and in sense of moral and duty.

Our party is greatly demonstrating its majestic appearance as an experienced and seasoned guide that is victoriously leading the difficult and complicated socialist, communist cause, and as the invincible command headquarters of the revolution.

The invincibility of a working-class party lies in its strong political leadership for the entire society. Our party has constantly been seasoned and hardened in the huge struggle to reform nature and the society and in the fierce revolutionary struggle against imperialists, and has achieved the ever-victorious leadership art [paekchon paeksungui yongdo yesul].

Today, the revolutionary work system that makes it possible to completely realize the party's leadership, as well as the revolutionary work method and people-oriented work style that make it possible to display the popular masses' revolutionary enthusiasm and creativity to the utmost have been established in our party.

Our party's leadership is warmly felt everywhere the popular masses live and work, and revolutionary upsurges have constantly been achieved everywhere the party's leadership is embodied. Our party's leadership that moves the well organized society as an organic body and organizes and mobilizes all social members to implement a goal is an example of the revolutionary leadership art that a socialist ruling party must have.

Today our country's socialist construction has entered a new and higher stage, and we are faced with a difficult and huge task of struggle. However, we have nothing to be afraid of and will certainly achieve victory because our party that has experience and seasoned leadership art is leading the socialist cause at the head, shouldering the destiny of the fatherland and the people.

Our party will endlessly display its honor as the experienced and seasoned command headquarters of the revolution that leads the Korean revolution along the ever-victorious road forever, and as an authoritative and esteemed party that gives a strong impetus to the struggle of the revolutionary people to rebuild socialism in the reliable vanguard unit of the international working class.

Today our party has been strengthened and developed into the impregnable party that is leading the chuche revolutionary cause pioneered by the great leader Comrade Kim Il-song along the single, ever-victorious road because it upholds the dear leader Comrade Kim Chong-il at the top [ku suwie].

The great leader Comrade Kim Il-song taught: Comrade Kim Chong-il is a genuine leader [yongdoja] of the people who has both literary and military accomplishments. He is an outstanding ideologist, theoretician, politician, and military strategist. He is also an example of loyalists and dutiful children boundlessly loyal to the fatherland and the people and filial to their parents.

The greatness and invincibility of a working-class party is determined by the greatness of the leader [yongdoja] who leads the party. The dear leader Comrade Kim Chong-il is the supreme leader [choego yongdoja] of our party and people who has long led the revolution and construction and, thus, brought about immortal achievements which will be brilliant for ages to come.

That the dear leader Comrade Kim Chong-il began working at the party Central Committee 30 years ago was a great festive event in which our party had a great inheritor [widaehan kyesungja] and the center of unity who would succeed the leader's [suryong] cause and a momentous event in the history of our party that has embarked on a long and honorable road under the respected and beloved leader's leadership.

The dear leader Comrade Kim Chong-il, who has steadfastly inherited the chuche revolutionary cause after rising high as the bright star of Mt. Paektu, has literary and military accomplishments and loyalty and devotion

and had wisely led the cause of building a chuche-oriented party with outstanding insights and outstanding and tested leadership.

Since the dear comrade leader began leading our party, fundamental changes have taken place in party building and party activities; the party's leadership role has been significantly enhanced in political, economic, cultural, military, and all other fields; and our revolution and construction have been able to strenuously advance along the single road of chuche.

Because the dear leader Comrade Kim Chong-il has led the cause of building a chuche-oriented party to victory, the most correct ideological and theoretical guideline has been provided that can eternally strengthen and develop our party into Comrade Kim Il-song's honorable party.

Having correct ideas and theories is a prerequisite for building a working-class party. Only a party that is guided by scientific ideas and theories and strategies and tactics can be endlessly consolidated and developed without the slightest deviations.

The dear leader Comrade Kim Chong-il has purely inherited the ideas and tradition on chuche-oriented party building, provided by the great leader, and endlessly deepened and developed them to comply with the demand of the era and the revolution's development. In this historic course, he presented the revolutionary plan to imbue the entire party with the chuche idea and provided ideological and theoretical weapons with which to strengthen and develop the working-class party into the leader's [suryong] party. This is an outstanding achievement that the dear leader Comrade Kim Chong-il has brought about before the era and history.

The dear leader Comrade Kim Chong-il published numerous classical works such as "The WPK Is a Chuche-Oriented Revolutionary Party That Inherits the Honorable Tradition of the Down-With-Imperialism Union," "The WPK Is the Organizer and Guide of All Victories of Our People," and "On Fundamental Problems in Revolutionary Party Building" and fully elucidated theoretical and practical problems in carrying out the work of imbuing the entire party with the chuche idea.

The theory on chuche-oriented party building, which was developed and completed by the dear leader Comrade Kim Chong-il, is a scientific theory on party building based on the chuche idea, our era's great guiding idea, and an encyclopedic theory on party building that summed up all experiences in party activities of different revolutionary stages and conditions of struggle. This is the valuable fruition of the energetic ideological and theoretical activities of the dear leader Comrade Kim Chong-il, who is boundlessly loyal to the leader's [suryong] revolutionary ideas and who has outstanding and scientific insights.

Because there is a theory on chuche-oriented party building, our party has been able to strengthen and

develop into a chuche-type revolutionary party, which is brilliant with the noble name of the great leader, without the slightest deviations. And, today the party, filled with absolute confidence, is now strenuously advancing along its correct road.

The dear leader Comrade Kim Chong-il has led the cause of building a chuche-oriented party to the single road of victory with outstanding organizational skills and revolutionary driving force and, thus, renewed our party's appearance fundamentally.

The party building cause is accompanied by difficult and complicated struggles. Only a party that upholds a great leader [yongdoja] can successfully carry out the cause of building a new-type revolutionary party that leads the socialist cause in the vanguard.

Since he began leading the building of our party, the dear leader Comrade Kim Chong-il has wisely led the struggle to fundamentally renew the party's appearance to conform to its status as a socialist ruling party.

His outstanding creativity with which he solves all problems in party building without being tied to any existing usage or outdated method; his skillful organizational skill and revolutionary driving force with which he mobilizes the entire party and makes it move like one in carrying out the assigned revolutionary tasks; and his resoluteness and steadfastness with which he pushes ahead to the end with whatever he decides: These are the great leadership traits of the dear leader Comrade Kim Chong-il, who is leading the cause of building our party in the vanguard.

The dear leader Comrade Kim Chong-il presented such revolutionary slogans as "The entire party should go among the masses" and "Serve the people" and has energetically led our party to thoroughly implement these slogans. Because of the wise leadership of the dear leader Comrade Kim Chong-il, who has outstanding organizational skills, leadership capabilities, tireless energy, and iron will, fundamental changes have taken place in our party's work; outdated work methods and traits have been thoroughly eliminated; and the party's appearance has been renewed afresh.

Our party is successfully carrying out revolution and construction by mobilizing the popular masses' revolutionary enthusiasm and creativity; the entire party is filled with revolutionary spirits; and all projects are being carried out briskly.

Our party's proud history of struggle decorated with great events and monumental miracles shows that when our party upholds a wise leader [yongdoja] at its head, it can fully play its role as the tested headquarters of the revolution and honorably fulfill its duty of leading the people to socialism.

Throughout the period when he was leading the cause of building a chuche-oriented party, the dear leader Comrade Kim Chong-il ensured that fidelity to revolutionary

principles be adhered to in party activities and party building. The cause of building a working-class party is carried out amid fierce struggles against the imperialists who infringe on independence. Historic experiences show that if revolutionary principles are not adhered to, this will degenerate the party and destroy the party and the revolution themselves.

Taking advantage of the collapse of socialist ruling parties in recent years, the imperialists have perpetrated all vicious maneuvers to divorce our party from revolutionary principles. However, our party has not yielded in revolutionary principles even a bit and strengthened its fighting capability and leadership capability by all means.

Brilliantly inheriting and developing the party, founded by the great leader, and its cause without a hitch is the dear leader Comrade Kim Chong-il's firm position. The dear comrade leader has led our party to thoroughly abide by such basic principles on building a church-oriented revolutionary party as the principle of always adhering to the church idea as the only guiding idea in party building and that of firmly ensuring the unitariness of the ideas and leadership.

Every time the party has a difficult task, the dear comrade leader strongly armed all party members with the party's unitary idea and firmly established firm discipline in the party. The leadership of the dear leader Comrade Kim Chong-il, who adheres to revolutionary principles, was so firm in any wind and was a major factor that could resolutely crush any maneuvers by the imperialists and reactionaries.

Because of this firm fidelity to revolutionary principles, our party takes pride in being an invincible great party no enemy dares to approach and an honorable party that, while upholding the revolutionary banner, is brilliantly completing the socialist cause.

Upholding the dear leader Comrade Kim Chong-il, a genius in ideas and theories and the great master of leadership, at the head of the party is the greatest honor and happiness of our party and people, and the future of our party which is advancing under the leadership of the dear comrade leader is boundlessly bright.

Today, we have the important task of eternally strengthening and developing our party into the party of the great leader Comrade Kim Il-song and completing the church revolutionary cause to the end under the party's banner.

The dear leader Comrade Kim Chong-il has pointed out: Also eternally in the future, we must endlessly strengthen and develop our party into a revolutionary party that upholds and follows the great leader Comrade Kim Il-song as the leader [suryong] and teacher and a militant party that breathes and moves according to the idea and will of Comrade Kim Il-song.

Ours is a party that was founded and reared by the great leader Comrade Kim Il-song, and the WPK members are

revolutionary warriors who grew up in the care of the leader [suryong]. Strengthening and developing our party into an invincible party that eternally casts its ray along with the noble name of the great leader is the general duty of our party's lines. No matter how many years may pass and how many generations may change hands, our party's revolutionary character will in no way change.

Resolutely defending, maintaining, and eternally glorifying our party's church blood line, provided by the respected and beloved leader Comrade Kim Il-song, is a way for our WPK members and people to fulfill their duty as revolutionary warriors of the respected and beloved leader and a basic guarantee to complete the church revolutionary cause to the end.

All party members and workers must consider the slogans "The great leader Comrade Kim Il-song will always be with us!" and "Let us more thoroughly arm ourselves with the great leader Comrade Kim Il-song's revolutionary ideas!" to be the mottoes of their lives and struggles and resolutely defend and maintain the respected and beloved leader's achievements in party building and brilliantly inherit and develop them.

All party members and people must loyally uphold the leadership of Comrade Kim Chong-il, the supreme leader of our party and people. The dear leader Comrade Kim Chong-il presented inheriting and completing the church revolutionary cause as the cause of his life and is wisely leading our party and revolution at the vanguard as the great leader Comrade Kim Il-song wished when alive.

To our party and people, the dear leader Comrade Kim Chong-il is the great leader, and the leader [suryongnim] is the dear comrade leader.

Our people see the boundlessly bright future of our party and revolution in the mature and tested leadership of the dear comrade leader, who is leading the party building cause along the single road of invincibility and have boundless pride in upholding the outstanding ideologist and theoretician and the great iron-willed general.

All party members and workers must think that their greatest happiness is living and carrying out the revolution under the leadership of the dear comrade leader, who has brought about immortal achievements before the era, the revolution, the fatherland, and the nation and be boundlessly loyal to the dear comrade leader's leadership.

We must more strongly prepare ourselves as genuine revolutionary warriors who uphold the dear comrade leader, who is the destiny and defender of our party and socialism of our own style, and fight to the end.

Our party has achieved the most solid and vital unity and cohesion by waging a protracted struggle under the leadership of the dear leader Comrade Kim Chong-il. We can be proud of this as a matter of course.

Single-hearted unity is the lifeline of our party and our revolution's foundation. We must purely inherit the party's tradition of unity and cohesion and, thus, strongly unite around our party Central Committee centered around the dear leader Comrade Kim Chong-il in the single ideological will and consolidate rock-solid the party's organizational and ideological basis.

The entire party, all the people, and the entire Army must more highly display the might of the revolutionary leadership system, which moves like one under the leadership of the dear comrade leader, and thoroughly implement our party's idea and line on building a chuche-oriented party.

When all party members and workers are boundlessly loyal to the dear comrade leader in hearty response to the will of the great leader, our party's strength will become powerful a hundredth or thousandth fold, and our fatherland's honor and dignity will be displayed for generations to come.

The purpose of strengthening the party and enhancing its leadership role is completing to the end the chuche socialist cause pioneered by the respected and beloved leader Comrade Kim Il-song.

The great leader devoted his all without sleep or rest to build the popular masses-centered chuche socialism in the course of long years, and clearly elucidated the bright prospect of the socialist economic construction and specific tasks to be implemented to effect upsurges in the socialist economic construction until his last moment.

For our party members and working people, there is nothing more important than the mission of effecting new upsurges in the socialist economic construction in hearty response to the respected and beloved leader's lifetime intention. In hearty response to the slogan of faith, "We Will Do When the Party Decides," all the party members and working people must thoroughly implement the party's revolutionary economic policies by displaying boundless devotion and loyalty.

By fully displaying the revolutionary spirit of self-reliance and hard struggle, we must rapidly increase the production of power, coal, steel and iron, and rail transportation. By thoroughly implementing the agriculture-first policy, the light industry-first policy, and the trade-first policy, we should all the more consolidate the country's foundation for the independent national economy and highly display the superiority of socialism of our own style.

Our people are the revolutionary people who have been trained and toughened under arduous storms and trials following the party and the leader [suryong], and are the faithful people with lofty sense of obligation toward the party and the leader. For our people who are fighting on for the great leader's behests, there can never be a trivial retreat or a standstill but only struggles and advancement.

Our people will vigorously push ahead the socialist construction with the revolutionary spirit of self-reliance and hard struggle, and consummate to the end the chuche socialist cause, withstanding trials and hardship.

Reunifying the fatherland is a supreme task of our party and the people. The respected and beloved leader Comrade Kim Il-song, who was concerned about the tragedy of national division more than anyone else, put forward the most just and reasonable reunification policy and formulas at every period and phase of the developing revolution, and wisely led the struggle for their realization. Thus, he has opened up a bright outlook for the road toward reunification.

Reunification in our country should be unfailingly achieved in accordance with the reunification formula of a confederal system based on one nation, one state, two systems, and two governments. Obstacles and difficulties are still ahead of the fatherland's reunification. However, victory is certain.

Upholding the dear leader Comrade Kim Chong-il, the lodestar of the fatherland's reunification, and firmly uniting under the banner of great national unity, we will achieve the fatherland's reunification in the nineties without fail by waging pannational struggles and, thus, make the fatherly leader's lifetime intention and desire blossom fully on this.

Independence, peace, and friendship are the steadfast principle of our party's foreign policy. In hearty response to the great leader Comrade Kim Il-song's lofty intention, our party will consistently implement the foreign policies of independence, peace, and friendship and, thus, further strengthen friendship and unity with the people of all countries of the world—who protect independence—and will continuously struggle to build a new liberal and peaceful world.

The future road of our people—who are upholding the dear leader Comrade Kim Chong-il, the great inheritor and guide [widaehan kyesungja hyangdojaisin] of the cause of building the chuche-oriented revolutionary party—is bright and our party will eternally shed its rays as an impregnable party.

Let us all firmly rally around the party Central Committee centered around Comrade Kim Chong-il, the great leader [widaehan yongdoja], and fight on for the victory of chuche socialist cause, the independent and peaceful reunification of the fatherland, and for the independence of the whole world!

The respected and beloved leader Comrade Kim Il-song, who founded the immortal chuche idea and established the invincible chuche-type revolutionary party, will live forever in the hearts of our party and people.

Long live the honorable WPK, the organizer and guide [hyangdoja] of all victories of the Korean people!

The WPK which upholds the great leader [widaehan yongdoja] will be ever-victorious.

Talk Hails Kim Chong-il's Leadership in WPK

SK1110051294 Pyongyang Korean Central
Broadcasting Network in Korean 0200 GMT 10 Oct 94

[Unattributed talk: "The Dear Comrade Kim Chong-il Is a Great Leader Who Has Strengthened and Developed Our Party Into an Invincible Party"]

[FBIS Translated Text] While effecting new upsurge in all fields of the revolution and construction upholding the teachings which the great leader Comrade Kim Il-song left them, our people today greets the 49th anniversary of the founding of the glorious Workers Party of Korea [WPK], founded by the leader and strengthened and developed by the dear comrade leader.

Over the last 49 years since its founding, our party, the WPK, has followed a proud course of struggle under the chuche banner, and has grown and been strengthened into an experienced and refined guide for our people, and into an invincible party with blood ties with the masses. That our party has been strengthened and developed into such a strong revolutionary party as it is today is attributable to the dear comrade leader's wise leadership.

In the course of leading our party, the dear leader Comrade Kim Chong-il not only continuously deepened and developed the great leader's chuche-oriented party building idea and theory, but brilliantly embodied them in carrying out the cause of party building, thus making an immortal great achievement to strengthen and develop the party.

One of the important contributions the dear comrade leader made to carrying out the party building cause is that he strengthened and developed our party into an invincible party that has taken root deep in the popular masses and is connected in blood ties with the masses.

The dear leader Comrade Kim Chong-il has noted: Our party is an invincible party connected in blood ties with the popular masses. The party struggles defending the interest of the popular masses, including the working class, and carries out the revolution by organizing and mobilizing the popular masses. Therefore, it is of particular significance in the party building of the working class to form blood ties with broad masses and take root deep in the masses. This is an essential requisite to the ruling party. If the party in power loses the support and confidence of the masses, it becomes impotent and cannot maintain its existence. This is proven eloquently by the bitter experience of the fall of the socialist ruling parties in many countries of the world.

Only such a party that has taken root deep in the masses and commands support and confidence of the masses can become a party that can display the ever-victorious might. The dear leader Comrade Kim Chong-il has had

deep insight into the significance and importance of the ties between the party and the masses ever since he began to lead our party, and has wisely organized and led the party so that the party may form blood ties with broad masses.

Important in the leadership of the dear comrade leader, who has brilliantly solved the problem of blood ties between the party and the masses, is, above all, that he has exercised his leadership so that the functionaries may faithfully serve the people with a correct outlook on the masses.

The ties between the party and the masses are not realized automatically but are realized through functionaries. The functionaries, who are the key force of the party and the commanding personnel of the revolution, should trust the people, share life, death, joy, and sorrow with them, and work for the people devoting their life to it, so that the masses may follow the party wholeheartedly and so that the ties between the party and the masses may be strengthened.

The dear comrade leader is possessed with the sacrificial spirit of service toward the people at the most lofty height. Even during his busy schedule in taking care of the overall work of the party, state, and military, he met the functionaries frequently and enhanced their party spirit, working class spirit, and people-mindedness so that they can fulfill their mission and role as the people's faithful servants.

In particular, he presented the revolutionary slogan, "Serving the people," and led the functionaries to thoroughly implement this slogan. This becomes an epoch-making opportunity for the party to go deeply into the masses. By presenting and implementing this slogan, our functionaries went all the more deeply into the masses to inquire in detail about the masses' intention and demand, solved the problems at an appropriate time, and enhanced the revolutionary trait more, making efforts to further enhance the people's living standard.

Along with this, in all the speculation and activities of the functionaries, the people-centered point of view was thoroughly established. All our functionaries are highly upholding the slogan put forth by the dear comrade leader and are struggling by devoting everything for the people according to his lofty example. Thus, the people's support and faith toward the party became even deeper and the blood ties between the party and the masses were further strengthened.

What is also important in the dear comrade leader's leadership who made our party into an invincible party by firmly consolidating the ties between the party and the masses, is that he indoctrinated, reformed, and embraced the masses from all walks of life with magnanimity, thus firmly uniting them around the party. The party's solidity and invincibility are dependent not only in the cohesion and unity of the party ranks but also on how solid the party's social basis is.

While leading the party work, the dear comrade leader always turned deep interest in the work with the masses from all walks of life, the social basis of our party. He firmly maintained the working class ranks, the leadership class of our revolution, in organizational and ideological terms; put priority strength in revolutionizing them; became the pillar and cornerstone in upholding the working class party; and took care of and led them in playing the vanguard role in carrying out the party cause. He also bestowed great significance in indoctrinating and uniting the farmers, the most reliable ally of the working class. He revolutionized and carried out working classification of the farmers and led them so that they can fulfill the role of agricultural workers in realizing our party's socialist rural construction program.

The dear comrade leader had firm faith in the intellectuals, the components of our party, as eternal partners of the party, loyal supporters, and magnificent advisers, and warmly took care of their work and living. Therefore, today it was possible for our intellectuals to share their fate with the party and loyally uphold the party with science and technology.

The dear comrade leader experienced the great leader's endlessly wide generosity and broadmindedness. He turned special attention in making the complicated masses into enthusiastic supporters of our party, and even though there are people who are complicated in their environment and past career, he dauntlessly had faith in them and embraced them to actively indoctrinate them. In addition, he warmly took care of them without the slightest discrimination, thus presenting them as magnificent members of the revolutionary ranks.

Many people—labor innovators, heroes, people whom society and people love and respect and who are enjoying a worthwhile and happy life by parting with their wrongful past—possess the honor of being the party member of the WPK due to this unprecedented politics of faith and wide-ranged politics.

Not even one person living in our society today is embraced with wrinkles on their forehead. All of our people have formed a big, happy family, are living cheerfully and vigorously, and are upholding the dear comrade leader with loyalty and filial piety by firmly uniting around the party. This is a lofty fruition brought about by our party's politics of benevolence and wide-ranged politics.

Our party has today achieved blood tied relations with the masses, is receiving absolute support and faith from the masses from all walks of life, and our people wholly entrusted their fate to the party, fighting without the slightest unrest [tongyo] according to the road as taught by the party because of this wise leadership of the dear comrade leader.

Our party which is united with the masses is invincible and no power can break the blood tied relations between

our party and the masses. The dear comrade leader's leadership achievements in which he strengthened and developed our party into an invincible one by achieving unity between the party and the masses, is brilliantly elucidating with our party's construction history.

Even amid the harsh environment in which the antisocialist maneuver by the imperialists and reactionaries have been strengthened, and socialism has been frustrated in various countries of the world, today our people are resolutely adhering to socialism and all the more elucidating it without the slightest unrest [tongyo]. This can by no means be thought about without the dear comrade leader's wise leadership in which he strengthened and developed our party into a revolutionary party possessed with an invincible might.

The dear Comrade Kim Chong-il is being highly upheld as the great leader [widaehan yongdoja] of our party. This is a great honor and the greatest happiness for our party members and people. We must deeply bear in mind this honor and pride, firmly unite around the dear leader Comrade Kim Chong-il, and highly uphold his leadership with loyalty and filial piety so that our party can be further strengthened into an invincible one and the chuche revolutionary cause can be hastened.

Kim Chong-il Sends Messages to Foreign Leaders

*SK0710121594 Pyongyang KCNA in English 1009
GMT 7 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 7 (KCNA)—The dear leader of our party and our people Comrade Kim Chong-il sent messages to foreign party and state leaders in reply to their messages of greetings on the 46th anniversary of the founding of the Democratic People's Republic of Korea.

The replies were sent to Jiang Zemin, general secretary of the Central Committee of the Communist Party of China, president of the People's Republic of China and chairman of the Central Military Commission of the PRC; Norodom Sihanouk, king of Cambodia; Boris Yeltsin, president of Russian Federation; Birendra Bir Bikram Shah Dev, king of Nepal; Khamtai Siphandon, chairman of the Central Committee of the Lao People's Revolutionary Party and chairman of the Central Defence and Security Commission of the Lao People's Democratic Republic, and Nouhak Phoumsavan, president of the Lao People's Democratic Republic; Ilyas al-Hirawi, president of the Republic of Lebanon; Maumoon Abdul Gayoom, president of the Republic of Maldives; Punsalmaagiyn Ochirbat, president of the State of Mongolia; Hafiz al-Assad, president of the Syrian Arab Republic; Dingiri Banda Wijetunga, president, and Chandrika Bandaranaike Kumarathunga, prime minister of the Democratic Socialist Republic of Sri Lanka; Jabir al-Ahmad Al-Jabir al-Sabah, amir of the State of Kuwait; Phumiphon Adunyadet, king of Thailand; Yasir 'Arafat, president of the State of Palestine, chairman of the Executive Committee of the Palestine

Liberation Organization and chairman of the Palestinian National Authority; Khalifah Bin-Hamad Al-Thani, amir of the State of Qatar; Glavkos Kliridhis, president of the Republic of Cyprus; Husayn Bin-Talal, acting king of the Hashemite Kingdom of Jordan; Akbar Hashemi-Rafsanjani, president of the Islamic Republic of Iran; Shankar Dayal Sharma, president of the Republic of India; Suharto, president of the Republic of Indonesia; 'Ali 'Abdullah Salih, president of the Presidential Council of the Republic of Yemen; Jerry John Rawlings, president of the Republic of Ghana; Lansana Conte, president of the Republic of Guinea; Sam Nujoma, president of the Republic of Namibia; Hassan II, king of Morocco; Cassam Uteem, president, and Anerood Jugnauth, prime minister, of the Republic of Mauritius; Maaouiya Ould Sid Ahmed Taya, president of the Islamic Republic of Mauritania; Antonio Manuel Mascarenhas Gomes Monteiro, president of the Republic of Cape Verde; Mohamed Abdelaziz, president of the Saharan Arab Democratic Republic and secretary general of the Polisario [Popular Front for the Liberation of Saquia El Hamra and Rio de Oro] Front; Miguel Trovada, president of the Democratic Republic of Sao Tome and Principe; Omar Hassan Ahmed Al-bashir, president of the Republic of the Sudan; Abdou Diouf, president of the Republic of Senegal; France Albert Rene, president of the Republic of Seychelles; Hassan Gouled Aptidon, president of the Republic of Djibouti; Obiang Nguema Mbasogo, president and head of state of the Republic of Equatorial Guinea and founder-chairman of the Democratic Party of Equatorial Guinea; Ali Hassan Mwinyi, president of the United Republic of Tanzania; Henri Konan Bedie, president of the Republic of Cote d'Ivoire; Gnassingbe Eyadema, president of the Republic of Togo; Zine El Abidine Ben Ali, president of the Republic of Tunisia; Liamine Zeroual, president of the State of the Algerian Democratic and People's Republic; Muhammad Husni Mubarak, president of the Arab Republic of Egypt; Cheddi Jagan, president of the Cooperative Republic of Guyana; Violeta Barrios de Chamorro, president of the Republic of Nicaragua; Mery Eugenia Charles, prime minister of the Commonwealth of Dominica; Carlos Salinas de Gortari, president of the United States of Mexico; Owen Arthur, prime minister of Barbados; Manuel Esquivel, prime minister of Belize; Noor Hassanali, president of the Republic of Trinidad and Tobago; Said Mohamed Djohar, president of the Federal Islamic Republic of Comoros; Kennedy Simmonds, prime minister of St. Kitts-Nevis; Lester Bryant Bird, prime minister of Antigua and Barbuda; Jean-Marie Leye, president of the Republic of Vanuatu; Harald V, king of Norway; Margrethe II, queen of Denmark; Ion Iliescu, president of Romania; Kiro Gligorov, president of the Republic of Macedonia; Ugo Mifsud Bonnici, president of the Republic of Malta; Mircea Snegur, president of the Republic of Moldova; Otto Stich, president of the Swiss Confederation; Milan Kucan, president of the Republic of Slovenia; Michal Kovac, president of the Slovak Republic; Vaclav Havel,

president of the Czech Republic; Martti Ahtisaari, president of the Republic of Finland; Franjo Tudjman, president of the Republic of Croatia; Nursultan Abish-evich Nazarbayev, president of the Republic of Kazakhstan; Askar Akayev, president of the Republic of Kyrgyzstan; Emomali Sharipovich Rakhmonov, head of state and chairman of the Supreme Soviet of the Republic of Tadzhikistan; Mario Soares, president of the Portuguese Republic; Levon Ter-petrosyan, president of the Republic of Armenia; Sali Berisha, president of the Republic of Albania; Thomas Klestil, federal president of the Republic of Austria; Leonid Kuchma, president of Ukraine; Zoran Lilic, president of the Federal Republic of Yugoslavia and Hamad Bin Khalifa Al Thani, inheritor of amir and minister of defence of the State of Qatar.

Comrade Kim Chong-il expressed deep thanks for their warm felicitations and best wishes on the 46th anniversary of the founding of the DPRK.

He expressed the belief that the friendly relations between the DPRK and the afore said countries and between the Workers' Party of Korea and the afore-said parties would grow stronger and develop.

Additional Reply Messages Sent

*SK0810231794 Pyongyang KCNA in English 1045
GMT 8 Oct 94*

[Spelling of all names as received]

[FBIS Transcribed Text] Pyongyang, October 8 (KCNA)—The dear leader of our party and our people Comrade Kim Chong-il sent messages to foreign party leaders in reply to their messages of greetings on the 46th anniversary of the founding of the Democratic People's Republic of Korea.

The replies were sent to Man Mohan Adhikari, president of the Central Committee of the Nepal Communist Party United (Marxism- Leninism), and Narayan Man Bijukchhe, chairman of the Nepal Workers' and Peasants' Party; Walid Jumblatt, president of the Socialist Progressive Party of Lebanon, Inaam Raad, chairman of the Nationalist Socialist Party of Syria in Lebanon, Farouk Dahrouj, general secretary of the Central Committee of the Lebanese Communist Party, and Abdallah al-Chahal, secretary of the Regional Leadership of the Arab Socialist Baath Party of Lebanon; B. Dashyondon, general secretary of the Mongolian People's Revolutionary Party; Gogu Ferincek, chairman of the Workers' Party of Turkey; Qiqbal Ahmed Khan, secretary general of the Pakistan-Muslim League; Vassos Lyssarides, chairman of the Central Committee of the Socialist Party of Cyprus; Yacob Zayadine, general secretary of the Central Committee of the Jordanian Communist Party, and Talal Hafun Ala Mai, general secretary of the People's Unity Party (Unionist) of Jordan; Indrajit Gupta, general secretary of the National Council of the Communist Party of India, and H.S. Surjeet, general secretary of the Central Committee of the Communist

Party of India (Marxist); Massim Salam, general secretary of the Yemeni Regional Leadership of the Arab Socialist Baath Party; Didier Ratsiraka, general secretary of the Action for the Renaissance of Madagascar; Mamadou el Bechir Gologo, secretary general of the National Direction Committee of the Sudanese Union-African Democratic Rally in Mali; Emile Kibala Bey a Nsien, national chairman of the Workers' Party of Zaire; Ahmed Nejib Chabbi, general secretary of the Progressive Socialist Rally of Tunisia, and Mohamed Bel Hadj Amor, general secretary of the People's Unity Party of Tunisia; Youssef Amin Wali, general secretary of the Egyptian National Democratic Party; Daniel Ortega Saavedra, secretary general of the Sandinist National Liberation Front of Nicaragua; Jack Barnes, national secretary of the Socialist Workers' Party of the United States of America; Indalicio Sayago Herrera, general secretary of the Central Committee of the Socialist People's Party of Mexico; Claudio Campos, secretary general, and Albenbum Dias, international secretary of the October 8 Revolutionary Movement of Brazil; Ruben Maria Vera, chairman of the March 26 Movement of Uruguay; Victor Granda Aguilar, general secretary, and Hernan Rivadenera, international secretary, of the Central Committee of the Socialist Party of Ecuador, and Rene Mauge Mosquera, general secretary of the Central Committee of the Communist Party of Ecuador and chairman of the Broad Left Front of Ecuador; Preben Moller Hansen, chairman of the Danish Workers' Party, Common Cause, and Klaus Riis, chairman of the Central Committee of the Communist Party of Denmark (Marxist-Leninist); Anthony Vassalo, general secretary of the Central Committee of the Communist Party of Malta; Ludo Vartens, chairman of the Central Committee of the Belgium Labour Party; Rolf Hagel, chairman of the Workers' Party-Communists of Sweden, and Frank Baude, chairman of the Communist Party-KPML(R) of Sweden; Timo Lahdenmaki, chairman of the For Peace and Socialism-the Communist Workers' Party of Finland; Blasco Hugo Fernandes, chairman of the National Guidance Committee of the Democratic Intervention of Portugal; Manuel Vargas Loureiro, chairman of the Democratic Renovation Party of Portugal; Marian Donnelly, president, Pat Quearney, general secretary, and Feon Garland, executive member and chief treasurer, the Workers' Party of Ireland, and James Stewart, general secretary of the National Executive Committee, and Eoin O'Murk, international secretary of the Communist Party of Ireland; Eric Trevett, general secretary of the Central Committee of the New Communist Party of Great Britain; Roberto Gabriele, general secretary of the Movement for Peace and Socialism of Italy; and Juan Ramms, general secretary of the Communist Party of the peoples of Spain.

Comrade Kim Chong-il expressed deep thanks for their messages of warm felicitations and best wishes on the 46th anniversary of the founding of DPRK. He expressed the belief that the excellent friendly relations

between the Workers' Party of Korea and the afore-said parties would continue to favourably develop.

Kim Chong-il Receives Gift From Guyana

*SK1010052494 Pyongyang KCNA in English 0517
GMT 10 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 10 (KCNA)—The dear leader of our party and our people Comrade Kim Chong-il received a floral basket from Llewelyn John, leader of the people's Democratic Movement of Guyana, on the occasion of the 49th anniversary of the founding of the Workers' Party of Korea [WPK].

Llewelyn John handed the basket to the Korean ambassador to Guyana on October 4.

Conveying the basket, he extended his sincere congratulations and best wishes to the dear leader Comrade Kim Chong-il on the founding anniversary of the WPK.

"I hope the dear leader Comrade Kim Chong-il will successfully carry to accomplishment the revolutionary cause of the great leader President Kim Il-song," he said.

Mozambique Official Brings Gift for Kim Chong-il

*SK1010061294 Pyongyang KCNA in English 0549
GMT 10 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 10 (KCNA)—The dear leader of our party and our people Comrade Kim Chong-il received a gift from Amaral Matos, first secretary of the Maputo City Committee of the Mozambique Liberation Front Party.

Handing the gift to the DPRK ambassador to his country on September 30, Amaral Matos said:

"I hope that these seeds of flowers will be sown around statues of the most respected great comrade President Kim Il-song.

"We want to see that comrade President Kim Il-song will lie always on a cushion of fresh flowers.

"Today the Korean people and world revolutionary people have the great leader Comrade Kim Chong-il.

"I believe that the Korean people will register more brilliant achievements in the efforts for the reunification of the country and socialist construction under the guidance of the great leader Comrade Kim Chong-il.

"I sincerely wish Comrade Kim Chong-il, the outstanding leader of the Korean revolution and world revolution, good health and a long life.

Anniversary of Kim Chong-il Work Celebrated

*SK1110123694 Pyongyang Korean Central
Broadcasting Network in Korean 1200 GMT 10 Oct 94*

[FBIS Translated Text] Today, party members and working people throughout the country are meaningfully

marking the 49th anniversary of the founding of the honorable chuche revolutionary party, the Workers Party of Korea [WPK], and the second anniversary of the publishing of "On the Fundamental Questions of Revolutionary Party Building," an immortal classic written by Comrade Kim Chong-il who is the great leader [yongdoja] of our party and people.

Greeting these anniversaries, all party members and working people are recalling with deep emotion the immortal achievements accumulated by the dear leader Comrade Kim Chong-il in implementing the cause of building our party, and are hardening their burning resolution to faithfully uphold his leadership and consummate the chuche revolutionary cause through generations, (?following) the party.

Reporter Kim Chun-po of the Central Broadcasting Network met with Yi Su-kun, professor, associate doctor, and vice president of the Kim Il-song Higher Party School.

[Begin recording] [Kim Chun-po] Greeting the anniversary of the founding of our honorable party and the anniversary of the publishing of an immortal programmatic work on party building, our people are looking back with deep emotion the outstanding and seasoned leadership of the great leader [suryong] and the great leader [yongdoja] who led our party to the victory, are they not?

[Yi Su-kun] Yes, they are. Our party founded by the leader on the arduous and honorable road of revolutionary struggle is displaying its high esteem and honor with invincible might, thanks to energetic ideological and theoretical activities and outstanding and seasoned leadership of the dear leader Comrade Kim Chong-il the great successor of the chuche revolutionary cause.

Among the immortal achievements accumulated by the dear leader Comrade Kim Chong-il for the cause of building our party, his presentation of the immortal classic "On the Fundamental Questions of Revolutionary Party Building" two years ago is particularly important. In the work, the dear comrade leader gave a profound analysis of historic lessons on building a socialist ruling party, and based on it, he gave scientific answers to fundamental questions of revolutionary party building in our times—from basic principles of revolutionary party building to questions of strengthening international unity and solidarity among revolutionary parties.

This work, in which the dear comrade leader scientifically and theoretically elucidated in depth the fundamental questions of revolutionary party building, with his extraordinary wisdom and keen insight, is a great program [taegang] of party building that enabled our party to be further strengthened and developed as the great guide of the socialist cause, and it is endlessly shining with the victorious advance of the chuche cause.

According to the teaching left by the fatherly leader, we will uphold the dear comrade leader at the top of the party and the state [tanggwa kukkai choego suwi] and faithfully uphold the comrade leader's leadership, so that we will complete the chuche revolutionary cause, without fail. [end recording]

Foreign Media Carry Kim Chong-il's Work

SK0710052194 Pyongyang KCNA in English 0407
GMT 7 Oct 94

[FBIS Transcribed Text] Pyongyang, October 7 (KCNA)—The Burundian paper UBUMWE carried the dear leader Comrade Kim Chong-il's famous work "On the Fundamentals of Revolutionary Party Building."

Carrying the work, the paper said:

This work is a highly important work which clearly indicates the way of constantly strengthening the party and further enhancing its leadership role on an overall analysis of the experience and lesson in building the party that plays a decisive role in the accomplishment of the cause of socialism.

The work is a militant weapon to smash the attempts of the enemy at destroying the revolutionary party of the working class and to defend the cause of socialism and an inspiring banner which gives great confidence and courage to the revolutionary parties and peoples fighting for the restoration of socialism.

The Pakistani paper AMAN carried his work "On the Fundamentals of Revolutionary Party Building" and the Nepali paper NEPAL PATRA and the Pakistani paper SIND express his work "The Historical Lesson in Building Socialism and the General Line of Our Party."

Japanese Firm Publishes Kim Il-song Work

SK0610044294 Pyongyang KCNA in English 0402
GMT 6 Oct 94

[FBIS Transcribed Text] Tokyo, October 4 (KNS-KCNA) [dateline as received]—The fifth volume of Part 1—The Anti-Japanese Revolution—of "With the Century," the reminiscences of the great leader President Kim Il-song, was brought out in Japanese by the Yuza-ngaku Publishing House of Japan some time ago.

The reminiscences is being disseminated widely across Japan.

Kim Il-song's Concern for People Stressed

SK0910094694 Pyongyang KCNA in English 0902
GMT 9 Oct 94

[FBIS Transcribed Text] Pyongyang, October 9 (KCNA)—It is 49 years since the great leader President Kim Il-song visited the workers of Kangson and discussed state affairs with them.

Having defeated the brigandish Japanese imperialists, President Kim Il-song made a triumphal return home 20 years after he left the homeland. On October 9, 1945, he passed the fork in the road leading to Mangyongdae without dropping in at his native home within a hailing distance and visited the workers of Kangson.

The fork in the road leading also to Kangson was a few minutes' drive from the house where the president was born and spent his childhood and his grandparents were living.

But, at the fork, the president declined the advice of his entourage to drop in at his native home and continued his travel to Kangson to meet workers first.

From then on, President Kim Il-song always found himself among the people, shared weal and woe with them and led the revolution and construction to a brilliant victory under the motto "to believe in the people as in heaven."

He traveled every nook and corner of the country, from the Paektu plateau on the northern tip to a southern village adjacent to the Demarcation Line, from a fishing village on the east coast to a remote island in the West Sea.

In the days of building a new country, he visited Kuji-kol, a mountain village in Yangdok County, South Pyongan Province, where he unfolded a new history of "golden mountain." In the days of war, he visited the workers of Nagwon to instill the conviction of victory into their minds. Descending from the rostrum of the rally celebrating the victory in the war, he went directly to the Kangnam ceramic factory and opened a broad way of reconstructing Pyongyang.

In the course of his on-the-spot guidance, the taean work system, a new Korean-style economic management system, and the Chongsan-ri spirit and method, a new mass guidance method of Korean style, were created.

He had given on-the-spot guidance on 4,500 occasions by 1970 ever since the liberation of the country in August 1945. This means that he made a journey for on-the-spot guidance every other day.

Last year, he guided the national economy in North Hamgyong Province and then went straight to the Yonbaek plain on the west coast, a bread basket of the nation.

On June 21, two weeks before his death, he guided the Taesong District cooperative farm on the spot.

He always found himself among the people and on his journey for on-the-spot guidance all his life.

Though his heart stopped beating, he is still with the people. All people visit his statues in different parts of the country day and night. In three months since his

death, a total of 17.8 million Koreans, 10,000 foreigners and 5,000 overseas Koreans have visited his statue on Mansu Hill.

President Kim Il-song has been and will be with the people.

Foreign Media Carry Kim Il-song's Works

*SK0610044794 Pyongyang KCNA in English 0408
GMT 6 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 6 (KCNA)—The great leader President Kim Il-song's famous work "For a Free and Peaceful New World" was carried by the Indian paper TAMAKA DARBAR.

The Mongolian paper UNEN carried his work "Let Us Further Strengthen the People's Government" and the Nigerian paper VANGUARD his work "10-point Programme of the Great Unity of the Whole Nation for the Reunification of the Country."

Tribute Paid to Kim Il-song's Memory at Statues

*SK0810153294 Pyongyang KCNA in English 1512
GMT 8 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 8 (KCNA)—Working people, People's Army soldiers and school youth and children visited the statues of the respected leader President Kim Il-song in Pyongyang, the capital of the revolution, and other parts of Korea on the lapse of three months after his death, and hardened their faith, will and oath of loyalty to change the biggest sorrow of the nation into strength and courage and promote the revolutionary cause of chuche.

Central and municipal organs, organisations, industrial establishments, cooperative farms, schools, neighbourhood units, families and People's Army units laid wreaths and flowers before his statue on Mansu Hill today with deep reverence and longing for him.

Written on the ribbons hanging from the wreaths were "The great leader Comrade Kim Il-song is immortal," "The great leader Comrade Kim Il-song will always be with us" and "The great revolutionary exploits of the respected leader Generalissimo Kim Il-song will be everlasting."

Working people, People's Army soldiers and school youth and children also visited his statues in Kim Il-song University, Kim Il-song Military University, the Mangyongdae Revolutionary School, the Korean film studio, the Pyongyang School Children's Palace, the Pyongyang Changjon primary school and other parts of Pyongyang to honour his memory.

Local people and People's Army soldiers laid wreaths and bouquets before his statues in provincial capitals, cities and counties and paid tribute to his memory.

Hanchongnyon Delegate's Revisit

*SK0810050794 Pyongyang KCNA in English 0426
GMT 8 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 8 (KCNA)—Hoe Chong-nam, delegate of the South Korean Federation of General Student Councils (Hanchongnyon), who has come to Pyongyang to participate in the ceremony for the completion of the reconstruction of the tomb of King Tangun on Thursday [6 October] visited again the statue of the great leader President Kim Il-song on Mansu Hill and laid a bouquet of flowers before it and honored his memory with a moment's silence.

He met with the people of various walks of life calling at the statue of the great leader and told them Hanchongnyon has come so late after hearing the sad news that President Kim Il-song had passed away. "You compatriots in the northern half of the country are grieving deeply. But I hope you will overcome it with fortitude," he said.

He went on: "The death of President Kim Il-song is really a pain and loss of the nation. I earnestly hope that the compatriots in the North will not be dispirited, but will achieve national reunification with redoubled efforts."

Noting that President Kim Il-song has already paved the way for reunification, he said: Let the people in the North and the South promise each other to more vigorously fight for an early reunification of the country."

SKNDF Officials' Wreathlaying

*SK0910083294 Pyongyang KCNA in English 0756
GMT 9 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 9 (KCNA)—Chief Yi Chong-sang and officials of the Pyongyang mission of the South Korean National Democratic Front [SKNDF] (Hanminjon) visited the statue of the great leader President Kim Il-song on Mansu Hill on Saturday on the lapse of three months since he passed away.

They laid a wreath before the statue and paid a silent tribute to the memory of President Kim Il-song.

PRC Delegations' Visits

*SK0810051094 Pyongyang KCNA in English 0422
GMT 8 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 8 (KCNA)—The Second Friendship Visiting Group of China led by Zhang Runshen, standing vice-president of the Hebei Committee of the Chinese People's Political Consultative Conference, staying in Korea called at the statue of the great leader President Kim Il-song on Mansu Hill on Friday [7 October].

The group laid bouquets before the statue and observed a silent tribute to the memory of President Kim Il-song.

The head of the group said that the Sino-Korean friendship provided by the leaders of the two countries would be everlasting like the blue water of River Amnok.

He expressed the belief that the Korean people would make greater achievements under the guidance of the dear leader Mr. Kim Chong-il.

Earlier, on Thursday, a delegation of Liaoning Normal University of China led by Party Secretary Liang Qikun visited the statue.

They laid bouquets before it and observed a silent tribute to the memory of President Kim Il-song.

More Domestic, Foreign Visitors

*SK0910094494 Pyongyang KCNA in English 0832
GMT 9 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 9 (KCNA)—Han Tok-su, chairman of the central standing committee of the General Association of Korean Residents in Japan (Chongnyon), and his family; a delegation of Koreans in Japan led by vice-chairman of Chongnyon Central Standing Committee Kwon Sun-hwi; Mun Myong-cha, a U.S.-resident Korean woman journalist; Han Mu-hak, advisor to the North America-Korea Friendship Association; Cho Tae-song, director of the Secretariat of the International Taekwon-do Federation and chairman of the Washington Federation for National Reunification; Kim Hyon-hwan, chief of a section of the American Institute of the Idea of Independence; Choe Un-pok, Yi Sun-nam and Yi Chol-chae, delegates of the headquarters of Koreans in China of the National Alliance for the Country's Reunification; compatriots from Europe; Kim Yi-pak, chairman of the Association of South Korea Literary Men in Japan, Dr. Mun To-pyong, professor of Osaka University of economy and law, and Yi Ui-chik, manager of Yongsang Hanul, figures under the influence of the "South Korean residents Association in Japan"; and home visiting groups of students of Korean University of Chongnyon, who are staying in the socialist homeland, visited the statue of the great leader President Kim Il-song on Mansu Hill Saturday on the lapse of three months after his death.

They laid bouquets before it and observed a moment's silence.

On the same day, Egyptian Ambassador to Korea Ali Hegazi and his embassy officials, a delegation of the Ministry of Information and Culture of Laos led by minister Osakan Thammatheva, the family of the former chairman of the council of ministers of the German Democratic Republic Otto Grotewohl, councillor of the European Society for the Study of the Chuche Iba Keith Bennett and other foreigners staying in Korea also laid

bouquets before the statue of the respected leader and observed a moment's silence in his memory.

Additional Delegations' Visits

*SK1010055294 Pyongyang KCNA in English 0546
GMT 10 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 10 (KCNA)—A delegation of the Indian National Congress Party (I) led by its General Secretary Sushil Kumar Shinde [spelling of name as received] and delegations of Beijing University of China on a visit to Korea respectively laid a wreath and bouquets of flowers before the statue of the great leader President Kim Il-song on Mansu Hill in Pyongyang and honored his memory on October 9.

A home-visiting group of Koreans in Kanagawa Prefecture, Japan, under the influence of the General Association of Korean Residents in Japan (Chongnyon) headed by Pae Kyong-il, director of the Kanagawa Credit Association of the Korea Bank, and a home-visiting group of the students of Korean University of Chongnyon staying in the socialist homeland laid wreaths and bouquets of flowers before the statue of President Kim Il-song and observed a moment's silence.

The general secretary of the Indian National Congress Party (I) said they in the name of the entire party members and of the Indian people expressed deep condolences before the statue of the great leader Comrade Kim Il-song. They remember the great feats performed by him for the Korean people and for the oppressed people all over the world and for a new world free from vices, he said.

The head of the home-visiting group of the students of Korean university of Chongnyon said the Korean nation lost the great father, and vowed to uphold the respected supreme commander General Kim Chong-il, a great man produced by the nation, with more loyalty and filial piety than they did President Kim Il-song.

'Yearning' Workers' Visits

*SK1210105094 Pyongyang KCNA in English 1036
GMT 12 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 12 (KCNA)—The one hundredth day is drawing near since the great leader President Kim Il-song passed away in July.

As days go by, the yearning of the people for him is growing more intense.

They shed tears, eagerly yearning for the great sun, before his statues standing in different parts of the country, on cooperative fields visited by him and in front of machines of factories seen by him.

So many sleepless nights have passed on Mansu Hill in the capital city of Pyongyang. It has been visited every day by more than 200,000 people day and night.

A teacher of Chang Chol-ku University, Kang Kyu-chan, who has greeted the sunrise before the statue of President Kim Il-song on the hill in the past days, said:

"I am reluctant to leave here. Standing here, I feel that the respected leader President Kim Il-song is with me. So, I wish to spend nights without sleep here." This is not the feeling of him alone. Thousands of people greet the daybreak on Mansu Hill, determined to fulfill the behests of the fatherly leader, recollecting his deep loving care for them with tears in their eyes.

Deeply rooted in their minds are the faith that the fatherly leader is always with them and the unswerving will to hold dear Comrade Kim Chong-il in high esteem as the great leader and accomplish the revolutionary cause of *chuche*, true to what he intended in his lifetime.

Hero of the republic Kim Song-chin who miraculously came back to life under the loving care of the president after silencing the enemy's pillbox with his body and ensuring the charge of his unit in the period of the fatherland liberation war, said:

"Fatherly leader, the past three months were harder days for me than the three years of the war. I shed no tears when I fell, hit by the enemy's bullets. But now I am shedding copious tears. I will steadfastly defend the flag of the republic, devoting to general Kim Chong-il my life brought back to me by you."

Labor hero Kim Yong-ho of the Pyongyang Thermal Power Complex said, bursting into tears before the statue of President Kim Il-song with ungovernable longing:

"We cannot come here Mansu Hill with nothing done and cannot leave here without renewing our determination. I will let smoke rise in the air from the chimneys of our complex uninterruptedly, thinking that the fatherly leader always watches those chimneys.

"Fatherly leader, we will increase power production."

- Let us make today a day of loyalty, true to the behests of the fatherly leader.

- Can I climb this hill without compunction?

This is the unanimous feelings of those visiting the hill.

The hill is crowded all day long with people who want to tell President Kim Il-song what they think and what they achieved in their work.

Indeed, President Kim Il-song, who deeply loved the people and was always among them in his lifetime, is still with them day and night.

Production of Consumer Goods Said Increasing

*OW0710154294 Pyongyang KCNA in English 1459
GMT 7 Oct 94*

[FBIS Transcribed Text] Pyongyang, October 7 (KCNA)—Cities and counties of Korea are increasing

the production of consumer goods by extensive utilization of the local raw materials sources.

According to data available at the Ministry of Local Industries, the industrial output value in the recent one month was up 43 percent on the same period last year.

Kaechon City and Phyongwon, Hongwon, Chosan and Sakju counties and many other cities and counties have created cultivated and natural material bases to suit their conditions, and they are topping their daily quotas for consumer goods production by 50 percent with the raw materials gathered there.

Changsong, Yangdok, Maengsan and Yontan counties gratify the demand of the local population for consumer goods by making effective use of mountain resources. Now these counties gather in hundreds of tons of wild fruits and medical herbs every day and produce confectionery, soft drinks, processed foodstuffs, koryo medicines, etc.

There are 20 odd local industrial factories on an average in each city and county. They produce foodstuffs, textiles and daily necessities with local raw materials.

The main variety of the consumer goods produced there number 800 and enlarged variety 8,000.

Ceramic and glass products and many other goods are exported.

Talk Explains How Party Leads People's Destiny

SK0910135394 *Pyongyang Korean Central Broadcasting Network in Korean 0932 GMT 7 Oct 94*

[Unattributed talk: "Our Party Is the Motherly Party Which Responsibly Leads the Destiny of the Popular Masses"]

[FBIS Translated Text] Today, our people have totally entrusted their destiny to our party and are upholding the party's leadership with loyalty, calling our party the motherly party.

The dear leader Comrade Kim Chong-il has taught: That the party should become the mother in responsibly leading the destiny of the popular masses is the principle of party activities creatively set forth by our party.

Our party is the motherly party, which responsibly leads the destiny of the popular masses. It is, above all, linked with the fact that our party regards the work of responsibly leading the destiny of popular masses as its basic mission. Generally, the question of destiny is a matter concerned with how the human being's destiny is pioneered, maintained, and concluded. In other words, it is a vital question concerned with the human being's life and death.

The people unanimously link a precious and grateful being with mother, and think of her in times of happiness and sorrow. This is because mother warmly takes care of her children with parental love and shows the

deepest interests in their destiny. In order for the working class' party to become the mother's party, it should single out the work of devotedly serving for and responsibly looking after the popular masses as their basic mission and should consistently carry out the struggle to realize all party activities.

The question concerning the popular masses' destiny can be solved on the course of liquidating national and class exploitations and completely doing away with all sorts of fetters and social unfairness left by the old society. It can also be solved through the struggles to realize their independence and such struggles are organized and led by the working class' party.

The mission of the working class' party lies in its struggle for the interests of the working popular masses and in building a communist society where the popular masses' independence can be perfectly realized.

Only when the working class' party raises the work of responsibly leading the destiny of the working popular masses as its basic mission, can the popular masses believe in the party's bosom as that of mother, totally entrust their destiny to the party, and share bitters and sweets with the party.

By triumphantly carrying out the two-stage revolutionary tasks, our party has ultimately eradicated all sorts of exploitations and oppressions, brilliantly implemented the historic cause of realizing the popular masses' sociopolitical life, and brought about the fundamental change in our people's status and destiny.

By thoroughly implementing the three revolutions lines—ideological, technical, and cultural—under the uplifted banner of the revolution, our party has opened a broad road for completely realizing the popular masses' independence and liberating the working people, who had been liberated from exploitations and oppression, from old ideology and cultural and technical fetters.

By embracing not only the working class—our party's leading class of the revolution—but also farmers, intellectuals, and all other people in the bosom of love, our party has taken care of the working class' political, material, and cultural life, responsibly leading their destiny. As such, our party has won all people's absolute support and confidence and is dearly called the great motherly party.

That our party is the motherly party, which responsibly leads the destiny of the popular masses, is also linked with the fact that the relations between the party and masses are the relations of leading and upholding such leadership as well as the relations of mutually giving life and taking care of the destiny and entrusting the destiny.

The revolutionary struggles and construction works are led by the party, and are assigned to and implemented by the popular masses. The party is the society's leading and

political organization whereas the popular masses are those directly entrusted with the revolution and construction.

That the party leads the popular masses and that the popular masses uphold the party's leadership are two phases showing the relations between the party and the popular masses.

Without the party's leadership, the popular masses cannot become an independent subject of history. Likewise, without the popular masses' acceptance of the party's leadership as the most lofty demand of the life, the party's leadership cannot be thoroughly implemented among the popular masses.

Only when the party's leadership conforms to the demand and will of the popular masses and is united with the popular masses' creative ability, can the popular masses faithfully uphold the party's leadership and can the party's leadership show greater vitality among the popular masses.

Relations between the party and popular masses are also relations of mutually giving life and relations of taking care of and entrusting their destiny. When the leader [suryong], the party, and the popular masses are united as one, they will become the immortal sociopolitical organism. Originally, the sociopolitical entity is a sociopolitical group with independent vitality.

That sociopolitical life is embodied in a sociopolitical group means that the mother body of sociopolitical life is not individuals but the sociopolitical group centered around by the leader and pivoted by the party. Individual human beings possess a sociopolitical life when they share the destiny with the social group as a member. The party is the mother body of the sociopolitical entity.

The party lets the popular masses have sociopolitical life by uniting them with the leader [suryong]—the center of the sociopolitical entity—in one organization, one ideology, and one blood.

One's physical life is born from the mother body. However, the sociopolitical life's mother body is the party. As one's physical life is unimaginable apart from his parent, the popular masses' sociopolitical life cannot be discussed apart from the party.

If the parent is the mother body of the physical life that inherits the blood, the party is the mother body of political life that endows sociopolitical life to the popular masses.

The fact that the parent love and take care of their children or that the children follow their parent does not start from interests or a sense of social duty. Likewise, the people entrust their destiny and future to the party and follow the party with endless trust and loyalty because the party is the mother body of their sociopolitical life.

Such being the case, the relations of love and loyalty, trust and recompense—the most solid blood ties as mother thinks of her children and children think of their mother—have been established between the party and the popular masses. Always believing in the popular masses as the roots of its life and the origin of its invincible strength, the party has struggled by dint of the popular masses. Likewise, the popular masses have shared their life and death with the party, believing in the party as their heart and brain.

Upholding the slogan of "We Serve for the People," our party is taking total responsibility of the popular masses' destiny and is devoting its all to protect the people's political life, to provide the people with rich material and cultural life, and to fully bloom the glory of being the master of the country.

With the rock-solid faith and will that "We Will Do What the Party Decides," our people are fighting through water and fire to realize the party's line and intention by entrusting their destiny and future to the party.

Such blood ties established between the party and the popular masses with love and loyalty, and trust and reward have been all the more consolidated through the course of struggling to the revolution and construction into practice. They are also fully displaying the might of single-hearted unity with each passing day.

Our people will devote their body and heart to implement the chuche revolutionary cause and will brilliantly glorify the most worthwhile life under the motherly party's leadership and care.

South Korea

U.S. Conveys Draft 'Compromise' on DPRK Issue
SK1210031494 Seoul YONHAP in English 0304 GMT
12 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 12 (YONHAP)—The United States has reportedly delivered a draft compromise to the South Korean Government on resolving the North Korean nuclear issue, which calls for special inspection of Pyongyang's past nuclear activities before it receives any assistance for light-water reactors.

A government official said Wednesday the U.S. Government's draft compromise also urges inter-Korean dialogue in parallel with Washington-Pyongyang rapprochement, a principle that will be elucidated in the U.S.-North Korean agreement, with a detailed timetable for resuming inter-Korean dialogue remaining unfixed.

However, the proposal has much room to be fine-tuned by Seoul and Washington as it is a far cry from South Korea's request that the special nuclear inspection be conducted before equipment for the light-water reactors arrives in North Korea, he said.

The Seoul government has thus far maintained that substantive inter-Korean dialogue must resume along with the establishment of liaison offices between Washington and Pyongyang.

In connection with the type of light-water reactor to be provided to North Korea, the United States would not specifically use the term "South Korean model" but allow South Korea to take the initiative in the technical and financing fields.

The government official said notification of the U.S. draft was made through documents and verbal means, adding the draft falls far short of the level of agreement between Seoul and Washington.

He said the American proposal is similar to the South Korean position in principle, but shows a substantial difference in the means of realization.

"This is why President Kim Yong-sam and the ruling Democratic Liberal Party have denounced America's compromising attitude," he emphasized. "Currently, Seoul and Washington are working together to narrow their differences."

During their ongoing talks in Geneva, North Korea reportedly demanded a document guaranteeing assistance for a light-water project while opposing any timetable for special inspection of its past nuclear activities.

Nuclear Envoy: No Change in Stance on DPRK

SK1210025194 Seoul KBS-1 Radio Network in Korean 0210 GMT 12 Oct 94

[FBIS Translated Text] ROK Nuclear Ambassador Kim Sam-hun said that there is no change whatsoever in our position regarding the North Korean nuclear problem, including the issue of special inspection and timing of support of light-water reactor. He stressed that this position will remain intact.

In a meeting with reporters this morning, Nuclear Ambassador Kim Sam-hun was asked about whether there was any possibility of putting forward a plan of compromise to flexibly accommodate the special inspection issue and the timing of support of light-water reactor. In response, he said that there was no change in our basic position and that future negotiations will proceed faithfully based on existing principles.

Nuclear Ambassador Kim Sam-hun pointed out that while there are many rumors about the current DPRK-U.S. negotiations, conclusions will be drawn on the basis of our principle to verify North Korea's nuclear transparency.

Foreign Minister: 'No Crack' in U.S. Cooperation

SK1210110694 Seoul YONHAP in English 1057 GMT 12 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 12 (YONHAP)—Foreign Minister Han Sung-chu said on Wednesday

there is no crack in the South Korea-U.S. cooperative system over the North Korean nuclear question.

"There is no difference between the two countries in the stance that they would adhere to and not back down from the principle of ensuring complete nuclear transparency," Han said.

In his remarks during a parliamentary inspection of his ministry, the minister said it is true there are some signs of progress at the U.S.-North Korea Geneva talks.

"But, the negotiations are such that we cannot say a rapid or substantial progress is taking place there," he said.

On the unification policy, Minister Han said his government does not pursue a unification achieved through the absorption of North Korea.

The government policy, he said, is to seek inter-Korean reconciliation, cooperation and peaceful unification instead of the isolation and fall of North Korea.

"We plan to develop inter-Korean relations into a partnership relationship in the future," the minister said.

Turning to the issue of linking South-North economic cooperation to the nuclear question, Han said his government would remove the link when a breakthrough is seen in the nuclear issue.

"What is most important at the moment is to get the nuclear issue resolved," minister Han said.

Official: 'No Substantial Disharmony' With U.S.

SK1210114594 Seoul YONHAP in English 1136 GMT 12 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 12 (YONHAP)—Deputy Prime Minister Yi Hong-ku said on Wednesday afternoon that though there is no substantial disharmony, there may be slight difference in the views of South Korea and the United States over the North Korean nuclear question.

Appearing in the KBS-TV program "Newsline," Yi said, "We, as a direct party to the Korean question, emphasizes the need of ensuring the transparency of the North Korean nuclear activities of the past, present and future."

The United States, too, must be seeking the nuclear transparency, Yi said, adding, however, that Washington is watching the issue in a universal outlook, that is, to retain the Nuclear Nonproliferation Treaty (NPT).

Yi said there may be some difference between Seoul and Washington in the priority order and the points of accentuation in connection with the nuclear question.

"Even these differences, if any, can be ironed out through close consultations at any time," he said.

Yi said his government policy of linking the nuclear issue to economic cooperation with North Korea is firm and irrevocable.

The South will not promote any economic cooperation with North Korea before the nuclear issue proceeds in the direction of resolution, he said.

Geneva Talks Show 'Signs of Progress'

SK1210013294 Seoul YONHAP in English 0123 GMT 12 Oct 94

[FBIS Transcribed Text] Geneva, Oct. 12 (YONHAP)—Signs of progress emerged as the United States and North Korea sought a comprehensive settlement to the row over Pyongyang's nuclear ambitions after their chief delegates to high-level talks here met Tuesday [11 October].

The chief delegates—U.S. Ambassador-at-Large Robert Gallucci and North Korean Vice Foreign Minister Kang Sok-chu—met for three hours in the morning at the North Korean Mission in Geneva, followed by an afternoon session lasting three hours and 20 minutes.

Details of the meeting were not immediately known, but a North Korean spokesman defined it as businesslike and in-depth.

The chief delegates were accompanied by a few high-level officials from each side. North Korean Foreign Ministry Ambassador Ho Chong disclosed after the meeting that the two delegations had made a little progress toward resolving some of the pending issues.

He said they had decided to hold a working-level meeting Wednesday at the American representative mission here as several issues still require serious discussion.

In a brief press release, the U.S. delegation revealed the chief delegates had engaged in sincere dialogue, adding that until Wednesday's meeting, they will not know whether any progress in the true sense has been made.

Both sides had avoided the term "progress" until an agreement was reached on the basic principles to resolve the North Korean nuclear issue on Aug. 12.

But after the meeting Tuesday, they used the phrases "a little progress," or "whether or not there had been any progress," indicating that the two countries may have made some headway toward breaking the deadlock.

Since the third round of talks resumed on Sept. 23, the two sides have clashed over the issues of special inspection of undeclared North Korean nuclear sites, the disposition of spent fuel rods taken from the North's atomic reactor, reloading of fuel rods into the reactor and assistance in the construction of a light-water unit.

The two sides will hold working-level talks at 11 AM (Geneva time) at the American representative mission in Geneva, but it remains uncertain whether they will

launch final negotiations to resolve disputed issues or begin joint work on drafting an agreement.

Kim Tae-chung: 'Deal' Expected in Nuclear Talks

OW1210104494 Tokyo KYODO in English 1020 GMT 12 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 12 KYODO—Former South Korean opposition leader Kim Tae-chung said Wednesday [12 October] the United States and North Korea are expected to clinch a deal in their talks on ending the diplomatic impasse over Pyongyang's suspected nuclear weapons program this month or by next April at the latest.

Kim, formerly chairman of South Korea's main opposition democratic party and now leads the Kim Tae-chung Peace Foundation, made the remark in an interview with KYODO NEWS SERVICE.

Regarding the delayed transfer of power in North Korea, he said Kim Chong-il will have no problem in inheriting the leadership from his father, the late president Kim Il-song, since the younger Kim has been groomed to take over the reins of power for a long time.

Kim, however, said if the younger Kim's ascendancy to leadership does not become official even after the passing of 100 days since the senior Kim's death, that might be taken as an indication that some problems have arisen in the leadership succession.

He said three factors, including the younger Kim's health problem, may be delaying his formal rise to power if there is no official announcement even at the end of the 100-day mourning period.

The two other factors, he said, are that Kim Chong-il may need more time to gain experience as a new leader in international situations and that he may be having to deal with the influence of the military.

North Korea watchers have speculated that Kim Chong-il would be named president and general secretary of the ruling Workers Party of Korea on Sunday, when the 100-day official mourning period for his father is over.

The two posts have been vacant since Kim Il-song died in early July after nearly four decades of dictatorial rule.

Asked to comment on concerns in Seoul that the U.S. is moving so fast in improving its relations with North Korea that South Korea may be left behind, Kim said relations between South and North Korea, seen from a long-term perspective, will take a turn for the better since the North is eager to seek economic cooperation with the South.

The former South Korean opposition leader also said he plans to visit Japan next April.

Kim was kidnapped by a group of unidentified men from the hotel Grand Palace in Tokyo in August 1973 and spirited away to Seoul, apparently by boat.

Shortly after being released in the streets of the capital five days later, he was put under house arrest by the South Korean Government, led by his authoritarian opponent, then president Pak Chong-hui.

Kim, still regarded as a political heavyweight with enormous influence in South Korean politics, retired from active politics after defeat in his third bid to win the presidency in 1992.

Since he launched the Kim Tae-chung Peace Foundation in January, saying he would concentrate his studies on matters related to South-North reunification, speculation has spread about whether he will make a political comeback despite his repeated denials of the possibility.

Recently, he has drawn keen interest from political observers by announcing his plans to visit Russia, beginning Oct. 16, and China early next month.

Security Consultative Meeting With U.S. Viewed
SK0910032294 Seoul THE KOREA TIMES in English
9 Oct 94 p 3

[By staff reporter Sim Chae-yun]

[FBIS Transcribed Text] The 26th ROK-U.S. annual Security Consultative Meeting (SCM) ended yesterday, with Defense Minister Yi Pyong-tae and his U.S. counterpart William Perry having formally reconfirmed the bilateral security cooperation relations amid the remarkably changing security situation on the Korean peninsula following the death of North Korean president Kim Il-song.

The top defense officials also signed the agreement on the transfer to Korea of peacetime operational control of the Korean Armed Forces from the ROK U.S. combined forces commander, paving the way for South Korea's self-reliant defense.

The handover of operational control is of particular significance as it means that the role of the United States Forces in Korea (USFK) began shifting from a leading to a supporting one, a ministry official said.

Both delegations expressed their satisfaction with the progress the ROK is making in assuming the leading role in the defense of the peninsula, they said in a joint communique released after the SCM plenary session.

Minister Yi and Secretary Perry, however, noted that the transfer of operational control will continue to ensure the ROK-U.S. combined defense posture remains strong.

South Korea agreed to pay 300 million dollars for the maintenance of the U.S. forces in Korea, budging from its original stance of paying 280 million won.

The concession came under fire domestically as the money was increased by 15.4 percent over this year and the Korean side failed to persuade the U.S. to lower the burden sharing ratio.

South Korea's assistance to the USFK in terms of free-of-charge land use for U.S. military bases and the Korean Augmentation Troops to the United States Army (KATUSA) should have been taken into account in the course of deciding the burden share, military observers said, adding, "The value of indirect contributions amounts to 2.3 to 2.5 billion dollars."

Seoul and Washington agreed in 1991 that South Korea should shoulder one third of the total USFK maintenance cost by 1995 at the Won Based Cost (WBC). Since then, they have engaged in tug-of-war negotiations on the amount of the total cost.

They also reconfirmed an earlier agreement that the ROK-US joint military exercise, Team Spirit, will be suspended if North Korea guarantees nuclear transparency.

Minister Yi made it clear that whether to conduct the exercise will be decided by the end of October, in an apparent bid to use the matter as a card for negotiations on the North Korean nuclear problems.

He said, "The decision will be made while keeping close watch on the progress in the North Korea-U.S. talks in Geneva on nuclear and diplomatic relations issues and the situation in the North in relation to the power shift following the death of its president Kim Il-song."

A ministry official commented in this connection, "ROK and U.S. forces are prepared to embark on exercises within 15 days after a decision is made."

But military observers noted that it would be difficult for the two countries to conduct the exercise this year, due to lack of time. Once conducted, the exercise will have to be scaled back.

Some of them even asserted that Team Spirit has already lost its value as a negotiation card with the North having dragged on its nuclear negotiations.

Of particular note during the SCM is that the two allies engaged in in-depth negotiations on the ROK-U.S. security relationship toward the 21st century, designed to develop joint strategies in preparation for the pre-and post-unification era.

Sharing the view that the bilateral security relationship should be comprehensive and complementary, the two allies reviewed the long term security environment on the Korean peninsula.

Ambassador to U.S. Urged To Reclaim Role
SK0810085294 Seoul TONG-A ILBO in Korean
8 Oct 94 p 4

[Report by Nam Chan-sun from Washington: "ROK Ambassador to the United States Is Getting Smaller," from the "Illumination" column]

[FBIS Translated Text] In the National Assembly inspection of the ROK Embassy in the United States on 6

October, National assemblymen of the Foreign and Unification Affairs Committee (head of the inspection team is Assemblyman Na Ung-pae) unanimously stated that "the relative importance [pijung] of ROK ambassador to the United States is as great as that of prime minister. However, the role of the ROK ambassador to the United States has become so small recently that one gets the impression that there is no ROK ambassador in the United States." Thus, lawmakers both from the ruling and opposition parties pointed out the phenomenon of ROK ambassador's role becoming limited. They then alleged that this is because the foreign minister appears on the stage too often.

Assemblyman Yi Pu-yong from the Democratic Party said: The more often the foreign minister visits the United States, the greater the achievements that should be made as a result of his visits. However, it seems that the more often the foreign minister goes to the United States, the more matters go amiss. Thus, the ambassador's role appeared to be either invisible or to look small." He then questioned whether Han Sung-su, ROK ambassador to the United States, is carrying out his work properly at his level.

Assemblyman Yi Chong-chan from the New Korea Party made similar remarks. He stated: Most of the work should be carried out by the ambassador, and only important matters should be managed by the foreign minister. Nevertheless, the minister has visited the United States on countless occasions, and has met U.S. Government officials like catching fish in a dragnet. As a result, the ambassador has had nothing to do."

Assemblyman Yi then pointed out that "regarding the North Korean nuclear problem in particular, the ROK ambassador to the United States should carry out a very important role. However, the ambassador appears to be an outsider.

The remarks of Assemblymen O Se-ung and So Chong-hwa from the Democratic Liberal Party were almost the same as that of lawmaker Yi. They said: "The minister should go to Washington only when the ambassador is unable to perform his work in his own capacity. The ambassador should not view this phenomenon merely from the academic standpoint, but should act like patriotic martyr Yi Chun [secret envoy sent by King Kojong for Korea's independence to the World Peace Conference held in Holland in 1907]." Thus, they urged Ambassador Han to more positively carry out his diplomatic activities.

Foreign Minister Han Sung-chu visited Washington six times since he came to office last year. This means he went to Washington roughly once every three months. His visits were all related to the North Korean nuclear problem but nothing on this problem has been resolved up to the present.

Quoting a proverb, "The empty cart makes more noise than a fully-loaded one," Assemblyman Yi Pu-yong

criticized Minister Han's frequent visits to Washington, and called on the ambassador to more positively reclaim his role, which appears to have been becoming smaller.

Economic Planning Board Reveals Unification Model

SK1110054094 Seoul KYONGHYANG SINMUN in Korean 10 Oct 94 p 1

[By reporter Chang Yun-yong]

[FBIS Translated Text] It was learned that the ROK Government's "perspective model" of economic unification of North and South Korea is a system toward a democratic welfare country based on a market economy which recognizes private ownership.

In a document submitted to the National Assembly on 9 October, the Economic Planning Board explained that the economic unification of North and South Korea will be achieved through three phases: First, economic exchanges and cooperation; second, homogenization of the North and South Korean economies; third, economic unification in a single system. After economic unification, the government will concentrate on developing an economic and social development plan for equal development of the North and South Korean economies, balanced development of land, and the settlement of the market economy.

The Economic Planning Board stated that it will develop a mid-to-long-term plan to minimize economic aftereffects of the unification.

Draws Up Land Development Plan

SK1110114294 Seoul MAEIL KYONGJE SINMUN in Korean 10 Oct 94 p 1

[By reporter Kim Pong-kuk]

[FBIS Translated Text] It has been disclosed that the government is drawing up a specific plan for the land development project in preparation for the time when reunification is achieved.

Although its estimated scale will vary a great deal depending upon the time and method of reunification, the expense for reunification will be at least 120 trillion won over the period of 10 years after reunification.

In data submitted on 9 October for the parliamentary inspection of government offices, the Economic Planning Board [EPB] said that the government requested a relevant research institute to do a study of the national land development plan in preparation for reunification, and that the EPB is reviewing a specific plan internally.

The government is considering a three-stage plan for the development of the region in line with the progress of the development of inter-Korean relations. In the first stage, namely the stage of limited exchange, the government

will develop the area south of the truce line and concentrate on the creation of an area for inter-Korean exchange, the improvement of living conditions for the residents of the border area, and the restoration and development of the exchange network connecting the North and the South.

For this, the government will provide a "law on the development and management of the border area (tentatively called)" and designate 10 counties in the border area—Kanghwa, Ongjin, Kimp'o, Paju, Yongchon, Chorwon, Hwachon, Yanggu, Inje, and Kosong Counties in Kyonggi and Kangwon Provinces—as a special area for development.

The government will also push ahead with the restoration of the railway network, such as Kyongui [Seoul-Sinuiju] line, Kyongwon [Seoul-Wonsan] line, and Kumgang line, as well as the diversification of the North-South major railway lines in line with the construction of the major expressways.

In the second stage, namely the stage of all-out exchange, the government will expand the area of development into north of the truce line and build an area for the inter-Korean joint development projects, exchange, contact, and cooperation. In the third stage, namely the stage of merger and reunification, the government will prepare and push ahead with a long-term social overhead capital restructuring plan for the formation of a national land axis for the balanced development between the North and the South.

At the same time, the government is planning to specifically review the scale of the reunification expenses and of the bearing of the expenses by the state treasury, with the progress in the development of the inter-Korean relations. The scale of the reunification expenses, however, varies a great deal between research organizations at home and abroad.

As to the expenses required over the 10 years after reunification, a report submitted by a local research organization estimates \$180 billion to \$1,320 billion, and foreign research organizations present different figures, namely, Harvard Population Development Institute estimates \$250 billion to \$500 billion, Britain's Economist (EIU) \$150 billion to \$260 billion, and Japan's (Changun) General Research Institute \$180 billion to \$190 billion.

Research Institutes Estimate Reunification Costs

SK1110025294 Seoul SEOUL SINMUN in Korean
10 Oct 94 p 1

[Article by Choe Pyong-yol]

[FBIS Translated Text] ROK and foreign research institutes project that if Korea is reunified within the next five years, the government's share of economic and social reunification costs for the next 10 years after the

reunification will be a minimum of \$150 billion (120 trillion won) and a maximum of \$1,320 billion (1,056 trillion won).

According to state administration inspection data submitted by the Economic Planning Board to the National Assembly, ROK academics and commercial economic research institutes generally agree with the Korea Development Institute's estimate of \$200 billion to \$500 billion (160 trillion to 400 trillion won) but Professor Sin Chang-min of Chungang University estimated it could be as much as \$1,320 billion.

The UK's Economic Intelligence Unit estimates the reunification cost to be \$150 billion to 260 billion, Japan's Long Term Bank's General Research Institute estimates \$180 billion to \$190 billion, and the U.S. Harvard Population Development Institute estimates \$250 billion to \$500 billion.

The Economic Planning Board explains that the huge gap in estimates results because "the reunification cost can be affected by various factors, including the timing and method. It is very difficult to estimate the amount and thus, the estimates of the research institutes differ significantly."

The Economic Planning Board said it will "review reunification cost, the government's share of the financial burden, and fund raising measures in line with future North-South relations and conditions for reunification."

North Denies Seeking Commission on ROK Firms

SK1110022194 Seoul HANGYORE SINMUN in Korean
10 Oct 94 p 3

[Report by Kim Song-su: "North Korea Denies Report on Reexamination of Its Invitation"]

[FBIS Translated Text] North Korea informed relevant ROK Government authorities of its official position to deny the South Korean press report that North Korea had reexamined its invitations sent to South Korean business firms to demand an enormous commission for reissuing the invitations.

According to relevant government authorities and business circles on 9 October, the Koryo National Industry Development Association (president: Yi Song-nok), an organization for North Korea's external economic cooperation, issued a letter on 8 October to our relevant government authorities. The letter denied the report that North Korea had informed ROK business firms of a rescreening of requests for visits to North Korea, and had demanded a large commission for reissuing the invitations, and said the report was entirely groundless. In the letter, the association stressed that the organization is not responsible for rescreening invitations and

has not received any commission for issuing such invitations to South Korean business firms. It also added that it will not receive any such commission in the future, either.

A relevant official at the Korea Trade Promotion Corporation said that "in view of its nature, the Koryo National Industry Development Association is unlikely to be the organization which reexamines the invitation or requests the commission. If such a reexamination was ever carried out, it may have been done by a higher-level organization than this association."

North Korea contacted South Korean business firms through various channels in a disorganized manner before President Kim Il-song's death. However, following President Kim's death, North Korea designated this association as the leading organization for economic cooperation with South Korea.

North Korea appointed Yi Song-nok, who is a minister-level official of the Administration Council, as president of this association in July with a view to strengthening external economic cooperation activities.

DPRK Designates Organ for Trade With ROK

SK1210025694 Seoul YONHAP in English 0205 GMT 12 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 12 (YONHAP)—North Korea has unified its contact channels for conducting economic cooperation and trade with South Korean companies under the Koryo People's Industrial Development Association (KPIDA), sources here said Wednesday.

According to the sources, the North recently put the KPIDA under the direct control of the Administration Council premier in order to consolidate its contacts with South Korean companies, including such large conglomerates as Hyundai and Samsung.

Belonging to "room 39," which manages finances and capital supply for the ruling Workers' Party, the KPIDA was originally set up in 1991 as a private organization handling the North's trade with nations with which it has no diplomatic ties.

The KPIDA has been led by Yi Song-rok, former foreign trade minister of the Administration Council, and operates four affiliates including Kwangmyong United Corp.

Pyongyang's recent notification that it would review letters of invitation already sent to South Korean companies meant that the KPIDA would re-examine letters issued by the party and the army, the sources said.

One source revealed, "more than 40 companies are known to have received invitations from the North's party, administration and army, and the KPIDA will re-examine them on a case-by-case basis."

DPRK To Hold Meeting of Diplomatic Missions

SK1210094694 Seoul CHUNGANG ILBO in Korean 12 Oct 94 p 2

[FBIS Translated Text] It has been learned the DPRK will hold a meeting in Pyongyang 12-14 October for the heads of North Korea's diplomatic and consular offices in foreign countries.

A government official who requested his name be withheld stated on 12 October: "The DPRK has recently summoned the heads of the North Korean diplomatic and consular offices in foreign countries for the first time since the death of North Korean President Kim Il-song. It is reportedly aimed at giving guidance on their activities on the threshold of the official inauguration of the Kim Chong-il system."

According to the official, main agendas to be discussed at the meeting are reportedly the basic policy and line of the Kim Chong-il system, which will soon set sail; the DPRK's stance on its negotiations with the United States; and the basic guidelines on how to explain the DPRK's efforts to attract foreign capital to the country.

The DPRK has kept the holding of the meeting of heads of diplomatic and consular offices a secret, and has not announced the itinerary for the current meeting. As of the end of 1993, the DPRK has established ties with 127 countries.

Kim Chong-il's Absence From Tomb Ceremony Viewed

SK1210063694 Seoul SEOUL SINMUN in Korean 12 October 94 p 2

[Article By Ku Pon-yong: "The Background Behind Kim Chong-il's Absence From the Dedication Ceremony of the Tomb of Tangun"]

[FBIS Translated Text] With heir-apparent Kim Chong-il's absence from the so-called dedication ceremony of the tomb of Tangun for which North Korea had scrupulously prepared, speculation regarding North Korea's power hierarchy is resurfacing.

The Korean Central News Agency reported on 11 October that Kang Song-san, premier of North Korea's Administration Council, who is third in line in North Korea's power hierarchy, gave an address on the completion of the reconstruction, and Vice Premier Yi Chong-ok and other high-ranking officials from the party and the government attended the ceremony. In the meantime, the absence of Kim Chong-il and the People's Armed Forces Minister O Chin-u, who are first and second in line to the North Korean leadership, at the meeting, is generating much curiosity.

It is a well-known fact that Kim Il-song started the reconstruction of the tomb of Tangun to justify Kim Chong-il's succession to power by stressing the legitimacy of the North Korean system. According to this

scenario, Kim Chong-il should have appeared as "the hero" in the ceremony, but instead, did not attend the ceremony.

The tomb's reconstruction has been in the spotlight because of speculation that it is closely linked with the handling of Kim Il-song's corpse. In other words, observers speculated that once the North Korean authorities place Kim Il-song's corpse at this tomb near Pyongyang, Kim Chong-il would officially emerge as number one man through a large-scale memorial service on 15 October marking the 100th day since Kim Il-song's death.

However, North Korea did not mention a word on this while reporting on the ceremony. In this regard, observers cannot totally exclude the possibility that Kim Chong-il's official ascension to the throne will be delayed. What is more, O Chin-u's absence from the ceremony is also worth noting. Recently, there have been unconfirmed rumors afloat that O Chin-u's son, a North Korean army major general, had fled to China out of disgust with the North Korean system.

At present, it is hard to judge whether Kim Chong-il's absence is caused by his health problem, his failure to firmly grasp power, or other reasons. It is too early to jump to any conclusion on speculation in Seoul that the absence of Kim Chong-il, who has not appeared in public since the funeral service for Kim Il-song, symbolizes his downfall.

However, the government and North Korea experts share the common view that if Kim Chong-il does not appear on the rostrum even on the 100th day following Kim Il-song's death, chances are high that his smooth ascension to the throne is being obstructed.

Government To Limit Russia Military Loan Payment

SK1210104994 Seoul YONHAP in English 1038 GMT 12 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 12 (YONHAP)—South Korea will limit Russia's loan repayment in military arms and equipment in negotiating this year's pay back schedule, a Foreign Ministry official said Wednesday [12 October].

Sun Choun-young, assistant minister for economic affairs, said during parliamentary inspection that Seoul and Moscow agreed at last August's negotiation session that the repayment schedule in military arms for 1993 should not set become precedent.

South Korea promised 3 billion U.S. dollars in aid to former Soviet Union but suspended it after providing 1.47 billion dollars following its collapse.

Russia said it will pay back part of the principle loan in helicopters and tanks for 1993.

"We will consider the terms of the Paris Club Agreement and overall South Korea-Russia relations in deciding the schedule for 1994," Sun said.

Atmosphere With Russia Viewed as 'Abnormal'

SK0810122094 Seoul SEOUL SINMUN in Korean 8 Oct 94 p 5

[Report by Yu Min: "Abnormal Atmosphere on ROK-Russian Diplomatic Avenue"]

[FBIS Translated Text] An abnormal atmosphere is being sensed on the ROK-Russian diplomatic front.

Russia is not fully complying with the international community's unanimous public opinion calling for the "removal of North Korean nuclear suspicion." Besides, Russia is proposing a "Russian-model light-water reactor" and calling for "eight-party talks." As a result of this, circumstances of the North Korea-U.S. talks became difficult. Some responsible Russian Government officials unhesitatingly criticized the ROK officially or unofficially over sensitive matters between North and South Korea.

Furthermore, the Russian foreign minister became a figure with whom it is difficult to meet for discussion of important pending diplomatic issues. In other words, we are under the impression that he avoids meeting with his ROK partner. Foreign Minister Han Sung-chu, who recently visited the United Nations, requested a meeting with Russian Foreign Minister Kozyrev by arranging it ahead of time. But the meeting did not take place. Our relevant officials explained that Russian Foreign Minister Kozyrev's schedule was so tight that he could not fit in the meeting, thus resulting in failure.

The visits to the ROK of high-ranking Russian officials, including Vladimir Shumeyko, speaker of the Russian Federation Council, which are scheduled for November, are uncertain. Relevant officials in the Foreign Ministry merely explained that "they will come within this year." However, everything looks uncertain. In view of numerous impending diplomatic issues surrounding the Korean peninsula, this cannot but be regarded as an ill-omened symptom.

Concerning this, recent actions and remarks by Russian Vice Foreign Minister Aleksandr Panov attract the people's attention. He visited North Korea last month as a special envoy of President Yeltsin, and returned home after making "remarkable" improvements in North Korea-Russian relations. At the talks, the two sides reached the agreement to support the Russian-model light-water reactor [as published]; on the issue of amending the investment protection accord and double-taxation prevention agreement; on cooperation in the industry and energy sector, and reopening plants that were supported by the former Soviet Union. They also agreed to hold a conference on North Korea-Russia economic and trade cooperation later this month in order to discuss detailed implementation means.

Furthermore, the "tone" of his remarks made in Moscow on 5 October regarding the ROK was quite different from previous ones concerning ROK-Russia relations.

In a keynote speech at a ROK-Russia academic symposium, Vice Foreign Minister Panov made an issue with the ROK side for having made public Russian diplomatic documents regarding the Korean war, and unhesitatingly even made radical remarks that "one can hardly say that the Korean war was started by a southward invasion." This was indeed a shock to all at a time when even Russian textbooks are being amended in accordance with the ROK-Russia agreement.

Regarding the North Korean nuclear problem, Vice Foreign Minister Panov complained that the proposal for the eight-party talks was not accepted, and harshly condemned the ROK press which was critical of the Russian-model light-water reactor.

The fact that ROK-Russia relations have become estranged means that Russia's policy on the Korean peninsula is changing, and that Russia is going to implement equal-distance diplomacy toward North and South Korea by taking the situation on the Korean peninsula into consideration. By doing this, Russia will take the diplomatic initiative, which was lost since the former Soviet Union collapsed, by securing power of its international sphere of influence. Thus, Russia seems to be attempting to apply the brake on the U.S.-led global policies.

However, our awareness of this situation is too easy-going. There are still many officials within our government who view ROK-Russia relations as normal, claiming that "we can meet Vice Foreign Minister Panov at any time, we only have to call him over the phone," in spite of such sensible change in diplomatic circumstances.

It has been four years since ROK-Russia diplomatic relations were established. However, no bilateral consultative organization has been formed between the two countries. This is the very reality facing us. It is a common point of emphasis presented by the diplomatic avenue that we should carefully reexamine one by one what we have achieved in the past, instead of merely carrying out performance-record-first diplomacy.

Japan Must Recognize Seoul as 'Sole' Government

SK1210093194 Seoul YONHAP in English 0911 GMT 12 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 12 (YONHAP)—Seoul will keep Japan bound to the pact that the government of Republic of Korea is the sole legitimate government of the Korean peninsula even after Tokyo normalizes relations with North Korea, Yu Pyong-u, director-general for Asia and Pacific Affairs at the Foreign Ministry, said Wednesday.

Answering a lawmaker's question during National Assembly inspection, Yu said the Clause 3 of the South Korea-Japan Diplomatic Normalization Pact of 1965 says Tokyo recognizes Seoul as the sole legitimate government.

"It is our position that this stance cannot change even after Japan normalizes ties with North Korea," he said.

Ministry Reprimands Officials Over 'Sea of Japan'

SK1010082994 Seoul YONHAP in English 0810 GMT 10 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 10 (YONHAP)—The Foreign Ministry reprimanded four staff members Monday for failing to prevent use of the name "Sea of Japan" beforehand at an international conference.

The ministry issued warnings to Choe Yong-chin, director-general of International Economic Affairs, and Chong Hae-uk, director of Environment Cooperation, the two working-level officials who were in charge of the Northwest Pacific Action Plan (Nowpap) conference.

The ministry also warned Cho Won-il, now minister at the U.N. mission, and Yi Tae-sik, currently minister to the European Union (EU) mission, who were in charge in 1991 when Nowpap preparations first began.

South Korea claims the body of water lying between it and Japan should be called by a name other than the Sea of Japan. The Nowpap conference first decided to label the area Sea of Japan but agreed later to designate it simply by longitude and latitude.

PRC Supervision Ministry Officials Visit Seoul

SK1110130894 Seoul YONHAP in English 1012 GMT 11 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 11 (YONHAP)—A group of seven Chinese Supervision Ministry officials arrived in Seoul Tuesday afternoon for an eight-day official visit at the invitation of Yi Se-yun, chairman of the Board of Audit and Inspection (BAI).

The seven Chinese visitors were led by Xu Qing, an advisor to the Ministry of Supervision.

During their stay in Korea through next Tuesday, the Chinese officials will discuss with BAI leaders ways to promote cooperation between their countries in the area of supervision.

The visitors will also have opportunities to inspect the self-supervisory programs of the Kyonggi Province Administration and observe key industrial facilities.

'Indications' Reveal Improvement in PRC Ties

SK0610145494 Seoul CHUNGANG ILBO in Korean 6 Oct 94 p 6

[Report by correspondent Mun Il-hyon from Beijing: "Indications of DPRK-PRC Second Honeymoon"]

[FBIS Translated Text] Marking the 45th anniversary of the establishment of diplomatic relations on 6 October, the DPRK and the PRC carried out brisk activities for improving relations between the two countries.

On 5 October, Kim Chong-il sent a message of greetings to Jiang Zemin, the president of the PRC, congratulating Beijing on the 45th anniversary of the establishment of diplomatic relations between the DPRK and the PRC. On 4 October, a North Korean delegation headed by Vice Foreign Minister Cho Il-kyu made an official visit to Beijing. It has also been learned that the PRC sent a delegation led by Wan Yongxiang, vice foreign minister for personnel and disciplinary affairs, to Pyongyang during the same period.

During his visit to the PRC, Vice Foreign Minister Cho Il-kyu held talks with high-ranking government officials, including Vice Premier and Foreign Minister Qian Qichen, while PRC Vice Foreign Minister Wan held talks with DPRK Foreign Minister Kim Yong-nam and the like, each group discussing means for promoting relations between the two countries. The DPRK dispatched Vice Foreign Minister Song Ho-kyong to the PRC as a special envoy from 30 August to 3 September in accordance with its policy of strengthening diplomacy with the PRC following Kim Il-song's death. In addition, North Korean Vice President Yi Chong-ok visited the PRC from 27 September to 4 October. It is unusual for the DPRK to send vice foreign ministers to the PRC twice in one month.

A high-ranking PRC Government official said: "It is uncertain at present whether the DPRK will invite foreign state guests to Kim Chong-il's inauguration ceremony as general secretary of the party and president of the state. However, even if Pyongyang does not invite foreign delegations, Beijing plans to dispatch to North Korea an official delegation headed by at least a vice president-level official once the official function is over." He then revealed: "The timing will be around the end of October or early November at the latest.

This official also noted: "The DPRK requested an emergency support of 200,000-tons of foodstuffs following President Kim Il-song's death, and made an additional request for foodstuffs and oil in August. Thus, the PRC Government urgently supplied them in the form of grant-type aid."

Student Couple in Germany Arrested for Espionage

SK0710033794 Seoul YONHAP in English 0259 GMT
7 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 7 (YONHAP)—The Agency for National Security Planning (NSP) announced Friday it has arrested a married couple—students Han Pyong-hun, 31, and Pak So-hyang, 30—on charges of practicing espionage for North Korea in violation of the national security law.

Han and Pak, who both earned master's degrees from Cologne University in Germany, visited North Korea four and three times, respectively, with the help of a North Korean agent operating in Germany named Kim Yong-mu, 57, and joined the North's Workers' Party to conduct spying activities in Germany and South Korea, the announcement said.

Han, holding an official North Korean passport issued by the North Korean Embassy in East Germany, visited North Korea with Kim and his wife Pak in September 1988. While there he and his wife took a North Korean espionage training course and received 10,000 U.S. dollars for their espionage activities.

They surrendered to the NSP last month, influenced by Sogang University President Pak Hong's statement in late August that several South Korean professors follow North Korea's revolutionary line, the announcement said.

The NSP has released professors Chong Hyon-paek, Kim Hong-chin, Yun Yo-tok and Yi Tae-hun, who is on home leave from his study in Germany, who were arrested earlier for their links with agent Kim. The agency said there was insufficient evidence to support any spying connections with North Korea, though they all admitted to having friendly relations with Kim.

But the intelligence agency is continuing to investigate An Yun-chong, 30, a graduate student at Chungnam National University, and Yi Sang-u, 41, a Christian evangelist, with regard to their activities in Germany.

North Korean agent Kim, a graduate of Seoul National University, left for Germany in August 1970 to continue his studies. A big-shot North Korean spy in Germany, he has visited the North more than 10 times while trying to win over South Korean students in Germany by providing them with money and other aid and sending them to North Korea for espionage training.

Senior Military Changes To Be Announced 15 Oct

SK1010062494 Seoul YONHAP in English 0551 GMT
10 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 10 (YONHAP)—The government will carry out routine military personnel changes this month, including promotions to the general-grade level to be announced on Wednesday [12 October].

A total of 58 colonels—43 in the Army, 10 in the Navy and five in the Air Force—will be named Wednesday to be promoted to general on Jan. 1, the Defense Ministry said. The number is a 6.8- percent fall from 62 last year due to a reduction in the Air Force from nine to five. The others are the same for both years.

The 28th graduates of the Korea Military Academy (KMA) will see their first one-star generals. Keen attention is drawn to whether the first graduates of the Third

Military Academy and members of "Hana-hoe," a private club of some KMA graduates in active service, will be included in the promotions.

Ten Hana-hoe members, the 27th graduates of the KMA, have been ruled out of screening for the 1994 promotions: With the rise of a Hana-hoe member of the 32nd class of the academy to colonel in September, however, at least one of them is expected to be given promotion.

The government has said that the punitive measures against the Hana-hoe members were limited and there would be no further sanctions.

In the Navy, would-be generals will come from among the 24th- and 25th-class graduates of the Korea Naval Academy.

In the Air Force, the 19th-class graduates of the Korea Air Force Academy will see the first promotion among their fellows. The number slated for advancement in the Air Force has dropped from 13 in 1993 to five in 1995 under a plan to reduce the number of active-service generals to the regular level by next year.

Meanwhile, the government is due to disclose steps for two- and three-star promotion around Oct. 15 as well as personnel changes, including the replacement of some corps and division commanders.

Ministry Releases Promotions List

SK1110130994 Seoul YONHAP in English 1157 GMT 11 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 11 (YONHAP)—The Defense Ministry on Tuesday made public the list of 61 Army and Air Force colonels and Navy captains to be promoted to the rank of brigadier general and commodore next year.

The list, approved by President Kim Yong-sam, includes 45 Army colonels, 10 Navy captains and six Air Force colonels. This year, a total of 62 colonels and captains earned their first star.

Ten ex-Hanahoe members were in the list of Army recommendees. But, all failed to be picked up.

By educational background, the 45 would-be Army promotees include 31 Military Academy graduates, four ROTC (Reserve Officers Training Course) officers and 10 who were trained at other military schools.

Part of the 61 will be given the promotion next January and the remainder in July.

Lawmakers Say ADD Losing 'Research Potential'

SK0810015294 Seoul THE KOREA TIMES in English 8 Oct 94 p 2

[FBIS Transcribed Text] Lawmakers inspecting the Agency for Defense Development (ADD) alleged yesterday that the nation's sole defense equipment research

institute has been losing its research potential and international competitiveness partly due to various obstacles set by the United States, a partner of the Korean defense industry and major defense patent holder.

They also expressed concern about the growing technological gap between Seoul and Pyongyang in development of missiles and other weapons.

During the annual inspection of the ADD by the National Assembly Defense Committee, lawmakers argued that South Korea is prohibited from developing medium- and long-range missiles and other high-tech weapons because of various "unfair" defense agreements with the United States signed during former administrations and this has hampered sound development of the ADD.

Rep. Na Pyong-son of the main opposition Democratic Party (DP) said, "North Korea has developed medium-range Scud and Nodong-1 missiles since 1976 and plans to deploy long-range Taepodong-1 and 2 missiles from 1996, which will pose a grave threat to our security.

"In sharp contrast, South Korea has had its hands tied due to an agreement on missile development it had signed with the U.S. in 1982 which limits the radius of South Korean-developed missiles within 180 km," the opposition lawmaker said.

Rep. Yim Pok-chin of the DP also said that South Korea lagged behind North Korea in missile development because the ADD's research was chiefly centered on development of artillery, tanks and other ground weaponry.

Rep. Kang Chang-song of the opposition party alleged that the slide in the ADD's R&D potential began in 1980 when then Chon Tu-hwan administration, an illegitimate regime born out of a military putsch, expelled able missile and nuclear experts from the institute apparently in eager wish to curry favor with the U.S.

"Chon's administration sacked Dr. Yi Kyong-su, the chief architect of the Korean missile development program during the Pak Chong-hui regime, and 767 other ADD researchers in 1980-1982 and due to the measure, Korea's defense industry went backward approximately 10 years ago, said Kang, former Army intelligence chief.

Kang said, "Chon took the step to improve relations with the U.S., which had been chilled due to former President Pak's ambitions for nuclear and missile development, and to seek U.S. approval of his illegitimate regime."

Rep. Chong Sok-mo of the ruling Democratic Liberal Party (DLP) said, "The people were proud of the ADD in 1978 when it successfully test-fired new Korean-type missiles. But the situation has completely changed. The ADD staff now lament that Korea's defense research capability is 10 to 15 years behind Israel and even Taiwan."

Rep. Kwon Ik-hyon of the DLP said that the ADD lost its competitiveness because of its reluctance to cooperate with private enterprises.

Rep. Chang Chun-ik of the DP called for the defense research cooperation between the ADD and the private sector, saying, "A Japanese firm developed a semiconductor chip in Patriot missiles and Stealth bombers use many advanced components developed by private companies."

Rep. Na suggested that the government consider forming international consortia for joint development of advanced weapons with foreign countries to reduce their development costs and acquire new defense technologies.

Lawmakers stressed the need to increase government funds for defense research and development, citing figures of foreign countries.

Rep. Chang said that the government spent 274.6 billion won for defense R&D last year, mere 2.97 percent of the defense budget. "This is the only one-twenty fifth of the United States' and the one-eighteenth of Japan's."

Delegation Leaves To Attend OECD Meeting

SK1010113194 Seoul YONHAP in English 1107 GMT
10 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 10 (YONHAP)—A six-member delegation, led by the Science and Technology Ministry's Technological Cooperation Chief Kyong Chong-chol, left for Paris Monday to attend the 63rd scientific and technological policy committee meeting of the Organization for Economic Cooperation and Development (OECD) opening in the French capital Wednesday.

The three-day technical meeting of the developed countries' club will focus on technological innovations for settling the unemployment problem facing developed countries.

The participants will also discuss plans to examine South Korea's scientific and technological policy, as well as its scientific and technological statistics, indexes and standards.

For this purpose, the OECD will send experts to Seoul next year for a stay of about one year.

South Korea joined the committee late September, while planning to become a full OECD member in 1996.

Clash Over Foreign Exchange 'Likely'

SK1210091394 Seoul THE KOREA TIMES in English
12 Oct 94 p 9

[By staff reporter Yi Chang-sop]

[FBIS Transcribed Text] The Korean government is likely to clash with the Organization for Economic

Cooperation and Development (OECD) and the United States over the pace of its foreign exchange and capital flow reform plan.

Despite the OECD and U.S. call for speedier reform, indications are that the government will continue to take a cautious step in deregulating the foreign exchange and capital flow reform plan.

The Ministry of Finance yesterday let the private sector Foreign Exchange System Reform Committee publish its revised proposal, which will ban Korean individuals from freely buying foreign real estate and depositing money in financial institutions overseas until 1998.

The committee, which was believed to have consulted with the Ministry of Finance before publishing its second revised proposal, advised the government to permit free overseas real estate investment by Korean firms only after 1998.

But it suggested that the government scrap the foreign stock ownership ceiling sometime between 1998 and 1999.

Korean travelers and businessmen overseas will be subject to tax audits if the money they spend overseas exceeds a ceiling set by the government even after 1998.

Korean manufacturers will not be able to receive export advances and downpayments freely until 1998, according to the proposal. The panel suggested that individual Koreans be allowed to invest in foreign listed stocks without limit and the list of eligible foreign stock exchanges for investment by Korean individuals be expanded sometime between 1996 and 1997.

Although the five-year reform plan is an epoch-making event by Korean standards, it is regarded as a cautious and step-by-step by the OECD and the United States.

A Western observer said Korea's reform plan is a move in the right direction but many of the important changes are loaded in the latter part of the reform plan. This might generate speculation that the government will change its contents after President Kim Yong-sam steps down in 1997.

A Seoul professor said that the government should unveil a reform plan, which must be completed under the Kim administration. Thus the time horizon of the reform plan should be three years, not five years.

Furthermore, many of the important changes are to take place after Seoul joins the OECD in 1996. But the OECD may ask Korea to implement many of the important reforms before it joins the OECD, analysts said.

A government official said, "The OECD membership is a trap that will push Korea toward accelerating foreign exchange and capital flow reform."

A major clash is expected to take place early next month when Korean Ministry of Finance officials meet with

their OECD counterparts in Paris to join the OECD financial market subcommittee as an observer. Few doubt that the U.S. plays a key role in the OECD. The United States will not lose a golden opportunity to pressure Korea into further accelerating the reform plan.

The OECD has already sent the signal that Korea needs to speed up the reform plan if it really wants to join the prestigious club in 1996.

It said Korea still maintains an extensive exchange control system, adding that today none of the OECD countries maintains a system of exchange controls, with the exception of the small economy of Iceland, which will remove all remaining, yet limited, capital controls by the end of this year. It said typically, restrictions still in place in OECD countries concern inward direct investment in some limited sectors, the acquisition of residential real estate by non-residents and the admission of certain capital market securities on the domestic market.

But Korea benchmarked the year of 1998 or 1999 as a time when it will have a modern and Western-style financial and capital market system. Even as the target year approaches, foreigners will continue to be controlled in investing in local bonds, analysts said.

The Ministry of Finance said it will come out with the final five-year foreign exchange and capital flow reform plan by the end of this month. But indications are that the government's final version will be little different from the initial proposal made by the private sector foreign exchange system reform committee, which is closely following the line of the Ministry of Finance, analysts said.

KCCI Urges Changing Foreign Trade Law

SK0910033194 Seoul THE KOREA TIMES in English 9 Oct 94 p 8

[FBIS Transcribed Text] A report released by the Korea Chamber of Commerce and Industry [KCCI] yesterday urged the government to revamp the Foreign Trade Law in order to protect domestic industries from unfair trading offensives by foreign companies.

"Clearly, there is an urgent need to enhance transparency in Foreign Trade Law clauses concerning the conditions under which rescue measures can be taken against unfair trading practices," said the report entitled "Revamping the Direction of the Foreign Trade Law."

Such rescue steps should be complete in line with the Uruguay Round safeguard accord so as not to prompt trade frictions with major trading partners, the report said.

The report called for "special considerations" of farm products, saying the Foreign Trade Law primarily concerns manufactured goods. "Farmers and farmers' organizations are basically lacking in information and so it is hard for them to launch rescue measures against unfair trading," it said.

In this regard, the Korean Trade Commission should be allowed to determine whether or not to launch investigations according to its independent judgment, the report said.

Trade Minister Returns Home After Overseas Tour

SK1110144194 Seoul YONHAP in English 1008 GMT 11 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 11 (YONHAP)—Trade, Industry and Energy Minister Kim Chol-su, who is running for the post of secretary-general of the projected World Trade Organization (WTO), said on Tuesday he is neither optimistic or pessimistic about his chances for obtaining the top WTO post.

While meeting reporters on return home from another overseas campaign tour—this one of Indonesia, Egypt and France, Minister Kim said he plans to focus his campaign efforts on enlisting support from the Middle East and African areas.

"Since three candidates are contesting for the WTO post on the strength of the regions they respectively belong to, I think one's winning of support from the Middle East and African countries would have a significant effect on the contest," Kim said.

Minister Kim said that during his latest overseas tour, he managed to obtain support from Egypt, a country which he said has much influence on African and Mid-East countries.

He said that although France is presently supporting a single European Union (EU) candidate, the European country gave him the word that depending on a possible change in the contest pattern in the future, France may consider supporting the South Korean candidate.

President Meets Securities Exchange Delegates

SK1210111294 Seoul YONHAP in English 1046 GMT 12 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 12 (YONHAP)—President Kim Yong-sam met a group of 47 delegates to the 34th meeting of the International Federation of Securities Exchanges (FIBV) over a tea party at Chongwadae [presidential offices] Wednesday [12 October] afternoon.

The delegates included William Donaldson, chairman of the New York Stock Exchange.

President Kim congratulated the delegates on the successful Seoul FIBV meeting, expressing the hope that securities markets would register further sound development in the days to come.

Kim said that his government had effected a series of financial reforms in the conviction that there would be no national economic development without the sound advancement of financing.

He said the reformative measures Korea has taken included deregulation of financial programs, introduction of the real-name financial transaction system and the accelerated liberalization of foreign capital introduction.

"We will further speed up the opening of our financial market especially because we are preparing to join the Organization for Economic Cooperation and Development (OECD) in 1996," President Kim was quoted as saying by his spokesman, Chu Ton-sik.

Scuffles at Party Convention May Cause Split

SK1010064994 Seoul YONHAP in English 0525 GMT
10 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 10 (YONHAP)—The internal dispute racking the New People's Party over hegemony flared up into a clash between mainstreamers and non-mainstreamers Monday [10 October] at an extraordinary party convention, leaving at least seven people injured.

The mainstreamers, led by Rep. Kim Tong-kil, and their opponents, headed by Rep. Pak Chan-chong and Supreme Councilor Rep. Yang Sun-chik, scuffled twice as younger members went at each other with square bars prior to the convention's opening at the 63 building in Yoido, southwestern Seoul. Kim and Pak serve as party co-leaders.

At least seven mainstreamers were taken to the hospital for treatment of head and dental injuries, the main faction members claimed.

Faced with a fierce blocking action by the non-mainstreamers, however, the main faction returned to party headquarters at around 9 AM [0000 GMT] Monday.

At the ensuing party convention, the non-mainstreamers elected Pak Chan-chong as sole party representative and seven supreme councilors including Reps. Yang Sun-chik, Han Yong-su, Kim Yong-hwan, Yu Su-ho, and

Yim Chun-won. The other two are Chong Sang-ku and Pak Chol-on, who was released from prison recently.

They also elected Kim Tong-kil as party advisor and formed an opposition merger promotion committee.

Following the convention, the non-mainstreamers plan to occupy party headquarters where another clash is likely with the mainstreamers, who are already taking up positions.

The main faction reportedly plans to brand the party convention illegal, expel Pak and Yang as obstructionists, and apply for an injunction nullifying the convention.

In response, the non-mainstreamers look set to seek an injunction suspending Kim Tong-kil's functions as party co-leader. The New People's Party thus faces being split into two through legal action.

Ministry: 50,664 Foreigners Residing 'Illegally'

SK0810010594 Seoul THE KOREA HERALD in
English 8 Oct 94 p 3

[FBIS Transcribed Text] The number of foreigners residing illegally in South Korea as of the end of September totaled 50,664 led by 21,493 Chinese, the Ministry of Justice reported yesterday.

A ministry report submitted to the National Assembly said that 174 foreigners were deported from January through August this year.

The report revealed that illegal foreign residents after Chinese nationals included 8,059 from the Philippines, 5,608 from Bangladesh, 2,506 from Nepal and 2,215 from Pakistan.

Of the foreigners forced to leave the country, Chinese topped the list with 51, followed by 28 Iranians, 23 Bangladeshis, 17 Pakistanis and 11 Nepalese.

The report said a total of 42,992 foreigners, including 17,200 Chinese, were either ordered or advised by the government to leave the country between January 1988 and August this year.

Burma**Khun Sa Said To Mobilize Troops for Dry Season**
95P30002

[Editorial Report] The 29 August Bangkok SIAM RAT in Thai on page 15 cited a report from the Shan State Restoration Council that Khun Sa is planning an offensive against the Burmese Army toward the end of October. The report said that the Shan forces will "conduct another troop mobilization" of about 5,000 for attacks as the rainy season ends. The report noted that neither the Shans nor the Burmese have been on the offensive recently because of the heavy rains. There have been no reports of Shan military losses as a result of Burmese air attacks on mountain redoubts.

Khin Nyunt Views Privatization Objectives

BK1110113594 Rangoon TV Myanmar Network in Burmese 1330 GMT 10 Oct 94

[FBIS Translated Excerpt] A coordination meeting on privatization was held at 1400 today in the conference hall of the office of the Army commander in chief. Lieutenant General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC] addressed the meeting which was attended by ministers, the attorney general, the auditor general, and responsible officials.

Speaking at the meeting, Lt. Gen. Khin Nyunt explained that the meeting was called to discuss methods on how state economic enterprises should be transferred to the private sector. He recalled that SLORC Chairman Senior General Than Shwe, when speaking about the privatization of some state enterprises, explained about the need to privatize through systematic and correct procedures. [passage omitted covered by referent item].

Continuing, Lt. Gen. Khin Nyunt explained that state economic enterprises are being privatized with the following objectives: to increase the capacity of the enterprises; to maximize profit while minimizing expenses; to improve national production; to increase the volume of exports; to use national resources in the most beneficial manner; to allow citizens to own large amounts of shares; to attract foreign investment; to transfer the enterprises into the hands of persons and organizations capable of effectively and successfully managing economic enterprises; to use the latest technology; and to create employment for indigenous people.

Lt. Gen. Khin Nyunt said that the following state economic enterprises will be privatized: economic enterprises operating under a huge organization and their branches; economic enterprises and their branches throughout the country; ineffective enterprises with an extensive management scope and their branches; enterprises that are operating under capacity; enterprises which require more modern technology and machinery and their branches; enterprises which need a product

review and their branches; noneconomic enterprises and their branches. He said enterprises which are important for national security and administration, enterprises crucial to the nation, and enterprises that should be under direct supervision of the government in accordance with government policy will be put under government supervision.

Lt. Gen. Khin Nyunt said privatization should be carried out step by step as the private sector in Myanmar [Burma] is still weak. He said it will also be necessary to consider how state employees should be transferred. He said the enterprises could be classified into large, medium, and small enterprises and factories. He said much thought and consideration should be given to privatization of small enterprises and factories as well as medium and large enterprises and factories. He urged the ministries concerned to coordinate their work in order to ensure systematic privatization of state enterprises based on the discussions today.

Next, Brigadier General Abel, minister of national planning and economic development; and U Ohn Lwin, director general of the Department of Planning Scrutiny and Progress, explained about the privatization of state enterprises and Lt. Gen. Sein Aung, minister of industry-1; and U Tha Dun, attorney general, participated in the discussions.

Brig. Gen. Abel explained responsibilities for forming the privatization committee and its subcommittees, and their work and responsibilities. Those in attendance at the meeting contributed to the discussions.

The ministers and authorities concerned then coordinated on privatization and Secretary-1 Lt. Gen. Khin Nyunt responded to points raised during the discussion and delivered closing remarks.

He called on those present at the meeting to successfully implement the work in accordance with instructions from SLORC Chairman Sr. Gen. Than Shwe. He said in implementing privatization, the enterprises and factories should not be allowed to change from their original form [mula athwin thanan] into another form, but only expansion and upgrading of the original form should be allowed. After the transfer, the enterprises and factories should strive for improvement of production and quality of products and an increase in exports.

He said privatization of state enterprises will bring about a significant economic change in Myanmar where a market oriented economy is being practiced. He said he therefore urged the authorities concerned to carry out their work effectively and correctly. The meeting ended at 1600.

Bangladesh Repatriates 1,302 Refugees 26 Sep

BK1110115294 Rangoon THE NEW LIGHT OF MYANMAR in English 29 Sep 94 p 6

[FBIS Transcribed Text] Altogether, 1,302 persons of 264 households arrived back at Taungpyo, Ngakhuya, Pyinbyu, Kanyinchaung and Magyeechaung reception camps on 26 September.

A total of 75,719 persons have been received since 22 September 1992.

More Refugees Repatriated

BK1110132494 Rangoon THE NEW LIGHT OF MYANMAR in English 5 Oct 94 p 6

[FBIS Transcribed Text] A total of 1,673 persons of 313 households arrived back at reception camps from Bangladesh on 29 and 30 September under the agreement reached between Myanmar [Burma] and Bangladesh.

Altogether 78,203 persons of 16,972 households have arrived so far since 22 September 1992.

Brunei, Malaysia & Singapore

Malaysia

Air Force Chief: 'Enough Air Assets' for Exercise

BK1110145494 Kuala Lumpur NEW STRAITS TIMES in English 10 Oct 94 p 5

[FBIS Transcribed Text] Langkawi, Sun.—The Royal Malaysian Air Force (RMAF) has enough air assets, such as transport aircraft, to deliver paratroopers and their equipment during an operation like the Eksesais Halilintar [Exercise Lightning] held to mark the launching of the armed forces' Rapid Deployment Force [RDF].

"What we have now is enough to undertake troop airlift operations depending on the unit size and the time given for preparations," its chief, Lt-Jen [Lieutenant General] Datuk Sri Abdul Ghani Aziz, said today.

When asked if the existing transport aircraft were adequate to move a brigade-strength RDF, he said:

"I say we can but it depends on how much time we are given. Two weeks obviously we can do it but if you say 48 hours, it will be impossible."

Abdul Ghani told newsmen at the Delima Resort here that the exercise was to gauge and evaluate the RMAF's tactical operation procedures in delivering the paratroopers and providing air cover.

"It's important all RMAF units do their job perfectly. There is no room for mistakes and there is a small margin of tolerance. Minor mistakes can result in death."

For the Eksesais Halilintar, the RMAF has deployed 34 aircraft, 235 officers and other ranks. Among the aircraft being deployed are fighter jets transport aircraft and helicopters.

Commentary Clarifies Exercise Purpose

BK1110114694 Kuala Lumpur Voice of Malaysia in English 0810 GMT 11 Oct 94

[Station commentary; broadcast in progress]

[FBIS Transcribed Text] ...Rapid Development Force, RDF. It seems that an exercise of such a magnitude has got some of its neighbors concerned. Their worry could stem from the fact that they could be unsure what Malaysia's intentions were in holding the exercise. However, there is no cause for alarm. Malaysia's neighbors can take heart that the aim of the exercise was only to modernize the Armed Forces from the aspect of organizational structure and weaponry. After all, other countries in the region have undertaken military exercises within their borders and Malaysia understood their motives.

This definitely is not a preparation for war, but rather it is to strengthen the Armed Forces to meet any threat to the country's security. This is because in safeguarding its peace, the country cannot afford to allow its defense to be weakened to the point others stop respecting its freedom. Another important factor is that a society can only progress and develop within an atmosphere of ability, security, and peace. A stable and secure Malaysia is a prerequisite for economic progress and prosperity. Efforts to modernize the Malaysian Armed Forces are aimed at developing a deterrent capability. In no way does the task of the Armed Forces include a confrontation task. The government's priority to the nondefense sectors over the past decade is a reflection of Malaysia's commitment to regional peace and prosperity. It is also important for Malaysia to keep abreast with developments in military technology and equipment. Other countries also do the same. In fact, Malaysia has gone one step further in putting the RDF at the disposal of the United Nations if the need arose. Therefore, neighboring countries should not misread Malaysia's military exercise over the weekend. No doubt there are flashpoints that exist within several countries. However, Malaysia believes that negotiations and compromise are the best way to resolve outstanding conflicts. Going to war is not the answer.

Like in many countries, Malaysia regards defense as part of the country's national development program. Defense should not be relegated to the backseat only to be sought after in times of trouble or instability. The break-up in the once-mighty Soviet Union and the tragedy in the former Yugoslavia is a reminder that prosperity can vanish within a short time if one's defense capabilities are not up to mark. Malaysia cannot afford to let down its guard. Although security forces are the country's first line of defense, the ultimate strength of a nation rests on the resilience and unity of existence. Malaysia fully realizes this fact and perseveres to enhance development in all sectors. It also values its relationship with its neighbors. There is definitely no cause for alarm. Malaysia will not do anything to jeopardize its peaceful co-existence.

Bangladeshi Premier Arrives on Official Visit

BK1110135394 Dhaka Radio Bangladesh Network in Bengali 1230 GMT 11 Oct 94

[FBIS Translated Text] Prime Minister Khaleda Ziaur Rahman arrived in Kuala Lumpur this afternoon on a

four-day official visit to Malaysia. She is making this visit at the invitation of the prime minister of Malaysia, Dr. Mahathir bin Mohamed. Prime Minister Dr. Mahathir bin Mohamed accorded a cordial reception to Prime Minister Zia at the Parliament Square. All members of the council of ministers of Malaysia were present at the Parliament Square. The prime minister of Malaysia introduced the members of his cabinet to the prime minister of Bangladesh. The acting chairman of official (functions), Ahmad Badri bin Sabdin, welcomed Prime Minister Zia when she arrived at the Parliament Square. The national anthems of Bangladesh and Malaysia were played when the prime minister was being accorded a red-carpet reception. The prime minister of Malaysia accompanied the prime minister of Bangladesh from the Parliament Square to the hotel at which she will be staying during her visit.

Closer Economic Ties Urged

BK1210043194 Dhaka Radio Bangladesh Network in English 0130 GMT 12 Oct 94

[FBIS Transcribed Text] Prime Minister Begum Khaleda Zia and her Malaysian counterpart Dr. Mahathir bin Mohamed have expressed their resolve to work together for closer economic cooperation between the two countries. Speaking at a dinner hosted by Malaysian Prime Minister Dr. Mahathir in honor of Bangladesh Prime Minister Begum Khaleda Zia at the Sri Perdana last night, the two leaders said Bangladesh and Malaysia would encourage private sector to work together for closer economic ties and reduce the trade gap.

In her speech, Prime Minister Khaleda Zia emphasized the need for further strengthening bilateral cooperation between Bangladesh and Malaysia. Bangladesh and Malaysia are united by their common aspirations for development and progress and stand together in their resolve for a global order of peace, democracy, and justice. Referring to the significant structural reforms in Bangladesh leading to macro-economic stability, she described Bangladesh as ideally suited for foreign investments. She welcomed Malaysian investors to take advantage of the excellent investment opportunities in Bangladesh and urged the Malaysian Government to encourage their entrepreneurs to invest in Bangladesh. The prime minister said the two Asian countries have traditional links of shared history, culture and (?faith) and they are united by their common aspirations for development and progress. She said the two countries stood together in their united resolve for a global order of peace, democracy, and justice.

The Bangladesh prime minister said the people of Bangladesh are watching with great admiration the strident socioeconomic progress Malaysia is making under the dynamic leadership of Dr. Mahathir. Begum Zia said that Malaysia will emerge as a fully developed country by the first quarter of the next century and Bangladesh can learn much from the experiences of Malaysia in consolidating democracy and accelerating economic development. The Bangladesh prime minister said democracy is

beginning to take root in Bangladesh. She said we have liberalized our economy and opened our markets to the world. She called for special and (?differential) market access in Malaysia for Bangladeshi goods and expressed the hope that present trade imbalance will be reduced through a more (?innovative) policy response from the Government of Malaysia. She expressed her happiness that a good number of Bangladeshi nationals are working in Malaysia and their employment there was beneficial for both the countries.

Earlier in his welcome address, The Malaysian prime minister, Dr. Mahathir bin Mohamed, expressed his confidence that the existing trade imbalance will improve toward Bangladesh's favor given the present favorable trade and investment climate in Bangladesh. The Malaysian prime minister said a closer economic ties between the two countries can further be strengthened through the existing regional economic framework of SAARC [South Asian Association for Regional Cooperation] and ASEAN. In order to tap the full potential for trade and economic opportunities in each other's country, Dr. Mahathir said it is imperative that both governments facilitate mobilization of resources of the private sector. He said his country will continue to welcome the intake of manpower from Bangladesh. Dr. Mahathir also hoped that the existing brotherly relations between Malaysia and Bangladesh will be further strengthened following the visit of Bangladesh Prime Minister Begum Khaleda Zia.

Training Programs Planned for South Africa

BK1210091894 Kuala Lumpur Voice of Malaysia in English 0600 GMT 12 Oct 94

[FBIS Transcribed Text] Malaysia has offered to assist South Africa in creating entrepreneurs and businessmen among its black community. Foreign Minister Datuk Abdullah Ahmad Badawi said Malaysia will provide technical expertise and training to such South Africans. He told reporters this after meeting South African Trade and Industry Minister Trevor Manuel in Kuala Lumpur.

Singapore

Editorial Sees 'No Way Out' for Saddam Husayn

BK1210102694 Singapore THE STRAITS TIMES in English 12 Oct 94 p 26

[Editorial: "No Way Out for Saddam"]

[FBIS Transcribed Text] President Saddam Husayn of Iraq probably did not anticipate the swiftness with which the world responded to his menacing moves along the border with Kuwait. The reasons for his provocative action are still not clear, but, obviously, only the speedy despatch of a formidable multinational force explains Baghdad's promise to withdraw its troops. Even so, it bears stressing that the announcement, as-yet-unfulfilled, came after prolonged prevarication and

attempts to serve the United Nations with an ultimatum. It was a futile piece of bravado, for however deeply the UN Security Council's Resolution 687 on the ceasefire might rankle, Mr. Saddam must have known that there was no way his muscle-flexing could lead to the repeal or relaxation of any of its 34 rigorous clauses.

Indeed, the various military stipulations—calling on Iraq to renounce international terrorism and demanding on-site inspection and destruction of all “weapons of mass destruction” as well as of non-conventional weapons and ballistic missiles with a range of more than 150 km—might make the Middle East a safer place to live in. But if Mr. Saddam set alarm bells ringing throughout the world because he felt it necessary to impress his own people even at the risk of inviting total destruction, the possibility of a recurrence should not be ruled out. The Iraqi ruler may not actually want another war, but, faced with what a joint report by two UN agencies describes as “pre-famine” conditions, he may see no alternative to diversionary tactics.

The crux of the matter is that Baghdad is threatened with bankruptcy. Its only revenue-earning produce is oil, and it cannot export that unless it agrees to sell only a small prescribed quantity, pays around 40 percent of the proceeds into a reparation fund for war victims, and uses the balance to buy only food and essential civilian items. If the Iraqis had acquiesced in these conditions, transactions would have been carried out under strict UN supervision to “prevent diversion (of food and medicines) to the Iraqi privileged classes,” as the U.S. ambassador to the UN put it at the time. Nor is there any estimate of how much might have to be forked out in damages. Though the first payment amounted to only U.S. \$2.7 million (S [Singapore] \$3.99 million), some reports suggest that the total might be as high as U.S. \$100 billion.

If the financial obligation seems open-ended, there is no assurance when, if ever, sanctions will be lifted, the U.S. and Britain now reportedly being of the opinion that any relaxation must be conditional upon an end to Baghdad's “oppression” of its Kurdish and Shi'ite Muslim minorities. American rigidity was demonstrated four months ago when Washington went to the extent of expelling a senior Iraqi diplomat because he was lobbying members of Congress to end sanctions against his country. In contrast with this evidence of implacable hostility, the Organisation of Petroleum Exporting Countries has reiterated Iraq's right to export its allocated quota; the five-nation Arab Maghreb Union's explicit call for the embargo to be lifted may not be politically significant but does indicate a slight chink in last year's united global front.

No one, not even former allies like Jordan or the Palestine Liberation Organisation, would go so far as to support Mr. Saddam or suggest that he be spared having to pay the price of his criminal folly in August 1990. But the head of the UN Special Commission on Iraq, Mr.

Rolf Ekeus, may have conveyed a subtle message when he certified recently that sanctions could be lifted regardless of the progress made on the destruction of weapons. France, Russia, and China are reportedly in favour of considering a time-bound scheme for doing so, the fear on all hands being that if Mr. Saddam is unable to give his people bread, he may again be reckless enough to try to regale them with a provocative military circus.

Cambodia

* Vietnam Provides Rice to Flood Victims

95P30001a

[Editorial Report] The 22-23 August Phnom Penh REAKSMEI KAMPUCHEA in Cambodian on page 2 reported that Vietnamese Ambassador Tran Huy Chuong had presented 50 tons of rice from the SRV Government to the Cambodian Government on 20 August for Cambodian flood victims. Foreign Minister Norodom Sirivuth expressed “profound gratitude for the humanitarian assistance of Vietnam, a friendly neighbor with an outstanding tradition of cooperation with us.” Sirivuth added that the Cambodian Government “will remember this humanitarian act of Vietnam and will try to increase even more the cooperation between the two countries.”

The paper reported Ambassador Chuong's response “in the name of the friendly country.” Chuong said that “Vietnam sympathizes with the difficulties faced by neighboring countries, especially Cambodia” and that the aid is in response to Cambodia's appeals for food aid for flood victims from “kindhearted, friendly countries.”

The paper noted that “tens of thousands of families have lost homes and tens of thousands of hectares of paddies have been lost” during recent floods. The losses have been heaviest in Kompong Speu, Kandal, Kampot, Battambang, Pursat, and Kompong Thom provinces.

* Hok Langdi Gets Senior Interior Post

95P30001b

[Editorial Report] The 22-23 August Phnom Penh REAKSMEI KAMPUCHEA in Cambodian on page 2 cited a Ministry of Interior source's information that Svay Rieng Province Governor Hok Langdi will become the director general of police in the Ministry of Interior. Former State of Cambodia senior official Loy Sophat will become the next governor of Svay Rieng, according to the source. However, another senior Interior Ministry official noted that a new governor has not yet been named and that Svay Rieng deputy governors one and two will assume the duties of governor temporarily.

Hok Langdi's deputy director general will be FUNCINPEC [United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Lt. General Nguon Suar. The paper reported that the two officials will “certainly” cooperate in increasing public security.

Government, Khmer Rouge Positions Assessed*BK1110104294 Bangkok BANGKOK POST (INSIDE INDOCHINA Supplement) in English 11 Oct 94 p 2*

[FBIS Transcribed Text] Phnom Penh—The government of Cambodia is having second thoughts concerning the Khmer Rouge.

Earlier this year, it launched a series of offensives against the National Army of Democratic Kampuchea (NADK). These offensives, in Anlung Veng and Pailin, turned into embarrassing disasters for Phnom Penh.

The new attitude is more modest and also more realistic. Senior government officials say the Khmer Rouge cannot be militarily defeated for the time being.

"It will take us three or four years to build a small reliable army," said a military source. "We'd better find other ways to deal with the Khmer Rouge problems."

Government sources say it is better to try to contain the Khmer Rouge where they are, mostly along the Thai-Cambodian border, and develop the rest of the country rather than to get involved in dubious large-scale military operations.

Skirmishes are unavoidable, say military experts, because there are plenty of small business conflicts along the border. "Much of the military activity in Western Cambodia is directly linked to economic interests," explains an Asian diplomat.

It is much too early to know if the recent reorganization of the Khmer Rouge military is paying off. If recent operations in Preah Vihear province are an indication, the NADK faces a few problems. After making some territorial gains in this sparsely populated province, the NADK was pushed back by government units.

Several Khmer Rouge division commanders have been more than reluctant to see their "divisions" (often no more than a few hundred men each) disappear in the name of restructuring. This could affect the morale of the troops, as Khmer soldiers tend to feel a strong bond with their immediate superiors rather than with the army as such.

Division 519, which now incorporates several other small divisions, is expected to go into action soon, to bridge the gap in the terrain occupied by the NADK along the border.

There is sporadic fighting going on in the region of Phnum Voar, where Western hostages (and perhaps a few others) are detained.

In late August, the CAMBODIAN TIMES, which faithfully reflects the point of view of the authorities, quoting the Cambodian Royal Armed Forces (CRAF) wrote that the Khmer Rouge base of Phnum Voar, in Kampot, would be destroyed by November 1, and "all its KR elements killed."

Nevertheless, negotiations have resumed between CRAF generals and those detaining the hostages.

The central issue appears once again, to be money. A military source claimed that some powerful people involved in the hostage talks are trying to benefit from any future deal. "There is a lot of funny business going on, and no one can predict what will happen."

Everybody expects the NADK to increase the pressure on Preah Vihear. The Khmer Rouge may try to capture the small provincial capital, with a population of no more than 5,000, to establish the seat of their Provisional Government of National Union and National Salvation of Cambodia.

The Khmer Rouge radio keeps demanding the resignation of the "two-headed" Royal Government, and denouncing its alleged collusion with "communist Vietnam and the villainous Western alliance", as a recent communique of the so-called provisional government put it.

But most experts believe the new direction taken by the Royal Government, that is, to largely ignore the Khmer Rouge and concentrate on development work in the countryside, is the correct one.

First Prime Minister Norodom Ranariddh has said publicly that Khmer Rouge who defect in future should not be imprisoned but should be integrated in the mainstream of the society.

"It may take a few years to eliminate the Khmer Rouge as a disturbing factor," an Asian diplomat said. "But it is much better for everybody to fight the Khmer Rouge by improving everybody's life than by launching a military operation doomed to failure."

"The Khmer Rouge are not gaining in strength, despite declarations to the contrary," said a Western military source.

"They are not recruiting and time is not on their side unless the government shows itself to be totally incapable of rebuilding the nation."

Some recent intelligence estimates put the total military strength of the Khmer Rouge at no more than 10,000 men.

"With time, money and proper training, the Royal army can only improve," the military source said.

*** Column: Little Improvement in Crime Situation***95P30001c*

[Editorial Report] The 22-23 August Phnom Penh REAKSMEI KAMPUCHEA in Cambodian on page 3 published a letter signed by a Phnom Penh resident under the rubric of "Views and Opinions." The letter writer observed that after two decades of war, people were looking forward to a post-1993 election period of peace and security, but instead have seen only anarchy

"in all respects and it's getting worse." The writer cited the random killings in broad daylight and noted that government authority at all levels seems far removed from the problems while "thinking only of their own interests: taking bribes, engaging in corruption more than ever before... is the Royal Government really incompetent?" The writer demanded that the government take action against the robberies and murders in Phnom Penh, noting that large numbers of police seem incapable of protecting the citizenry who fear going out at night, even to the popular locations around the city. The writer closed with a request to the criminal element: "Mr. Thug: please just rob us of our property, not our lives; we want to live—as do you—to see a Cambodia some day in the future that is not plagued with the above difficulties."

*** General Tie Banh Discusses Illegal Roadblocks**
95P30001d

[Editorial Report] The 24 August Phnom Penh REAKSMEI KAMPUCHEA in Cambodian on pp 1, 2 carried a report of an interview with Co-minister of National Defense General Tie Banh. The general said that the Ministry of National Defense [MND] and the General Staff "have not authorized the establishment" of the illegal roadblocks which extort money from travelers throughout the country. When told by reporters that most of the roadblocks had been set up by military personnel, Tie Banh responded that the perpetrators also included police, militia, and regional forces in the operational- and sub-operational zones. Putting an end to the roadblocks will not be easy according to the Co-minister, noting that as soon as they are cleared away in one place, they spring up in another.

The paper noted that the illegal roadblocks are more numerous than ever, especially in Mong District, Battambang Province along National Route 5. Recognizing what the paper called a worsening situation with the illegal roadblocks, Tie Banh admitted that the perpetrators cannot be completely suppressed. Even military vehicles have to shoot it out with those manning the roadblocks. REAKSMEI KAMPUCHEA remarked that the situation remains largely unchanged despite 2nd Prime Minister Hun Sen's December 1993 order to eliminate the roadblocks, especially those from the Pursat-Battambang border to Battambang.

Indonesia

Foreign Ministry Offers Help for Gulf Solution

BK1210021394 Jakarta Radio Republik Indonesia
Network in Indonesian 0000 GMT 12 Oct 94

[FBIS Translated Text] In its capacity as chairman of the Nonaligned Movement, Indonesia is ready to help find a comprehensive solution to the increasingly tense situation in the Gulf if so desired by the conflicting parties. A press release issued by the Department of Foreign Affairs

in Jakarta said the tense situation has confirmed Indonesia's belief that the main issues are respect for Kuwait's territorial integrity and the Iraqi people's hardships following UN sanctions. A solution can be found through existing forums such as the Arab League or the United Nations.

In this connection, the Indonesian Government called on all parties to exercise restraint from taking provocative actions which may lead to another outbreak of armed conflict, which will in the end increase the suffering of the people in the Gulf as well as threaten regional and international security.

Government Rejects Timor Guerrilla Cease-Fire

BK1210075894 Hong Kong AFP in English 0627 GMT
12 Oct 94

[By Pasca Mallet]

[FBIS Transcribed Text] Jakarta, Oct 12 (AFP)—Indonesia on Wednesday rejected a unilateral ceasefire announced by guerrillas fighting for the independence of the former Portuguese colony of East Timor.

The spokesman for the Indonesian foreign affairs ministry, Irawan Abidin, told AFP: "It is not the first time they announced a ceasefire. They only repeat their old game of disinformation about a ceasefire, as a part of their political campaign for the question of East Timor to remain open."

According to Portuguese radio RDP, the chief of military operations for the guerrilla group FRETILIN [Revolutionary Front for an Independent East Timor], Konis Santana, decided to institute the ceasefire beginning October 1.

"We do not recognize those people," said Abidin. "We officially call them 'a group of trouble makers.' They would be given clemency if they come down from their mountains and if they behave in an orderly manner. Our old clemency offer is still valid."

On October 7 in New York, Indonesian Foreign Affairs Minister Ali Alatas met Jose Ramos Horta, the overseas spokesman of the National Council of Maubere Resistance (CNRM), an umbrella group of the East Timor resistance.

According to Abidin, "those people that Ali Alatas met were there in their private capacity, not representing any organization. That was our condition (for the meeting to be held)."

Abidin said the objective of the opposition in East Timor is "to catch the attention of people as if the East Timorese rebellion is continuing, as if they were a very large group of people, while they are only a handful."

The guerrillas in the East Timor countryside are estimated to be several hundred people, generally poorly

armed. In their latest skirmish at the end of September, five rebels were killed, according to the Indonesian army.

At the same time, the political wing of the movement is considered to be well established in Timorese cities.

In the message broadcast by Portuguese radio, Konis Santana asked for immediate negotiations between Indonesia and the East Timorese resistance. He also asked for the liberation of the leader of the CNRM, Jose Alexander ("Xanana") Gusmao, who was arrested in November 1992 and is serving a 20-year sentence.

East Timor was annexed by Indonesia in 1976 without the support of the United Nations, which still recognizes Portugal as the administrative power of the territory.

Resistance To Resume Activity

LD1210100894 Lisbon RDP Antena 1 Radio Network in Portuguese 0900 GMT 12 Oct 94

[FBIS Translated Excerpt] The Timorese resistance offered Indonesia a cease-fire in the mountains of East Timor. Indonesia publicly rejected it. Indonesia believes the Timorese resistance has no credibility as it consists of only half a dozen hungry and poorly armed guerrillas.

Ramos Horta, representative of the National Council for the Maubere Resistance, spoke to Pedro Sousa Pereira of Radio Macao. He said that if this is Indonesia's stand then guerrilla activity will be resumed.

[Begin Horta recording] After the meeting with Ali Alatas and because Indonesia rejected the cease-fire—it is not the first time, either—obviously the guerrilla commander in East Timor will resume his military activities, as he has done until now.

The cease-fire offer was above all a political gesture, a diplomatic gesture aimed at making the international community and the UN secretary-general aware of the good faith, good will, and complete flexibility on the part of the resistance toward facilitating the UN secretary-general's efforts.

On the other hand, by rejecting the cease-fire, Indonesia is showing the international community that it does not want a dialogue, that it prefers to continue with its policy of using force to impose its views, to impose the occupation, annexation of East Timor. [end recording] [passage omitted]

Two Students Freed After Defamation Charges

BK1110114094 Jakarta ANTARA in Indonesian 0958 GMT 11 Oct 94

[FBIS Translated Excerpt] Two students were freed from the Salemba detention center after serving a 10-month prison term on charges of defaming President Suharto. Their four friends, who were supposed to be freed today, are still under detention.

Hendrik Dikson Sirait from the National University and Masduki from the University of Brawijaya were finally released from the Salemba detention center in Jakarta today. [passage omitted]

Italian Trade Minister Arrives for Talks

BK1210075494 Jakarta ANTARA in Indonesian 2026 GMT 11 Oct 94

[FBIS Translated Text] Jakarta, 11 October (ANT-ARA)—Italian Foreign Trade Minister Giorgio Bernini arrived in Jakarta Tuesday for a two-day visit aimed at strengthening bilateral relations.

In a press release, the Italian Embassy in Jakarta said Bernini will hold talks with high-ranking Indonesian officials on international trade relations at the end of the Uruguay Round talks and the planned establishment of the World Trade Organization [WTO]. During his stay in Indonesia, the minister will deliver a speech on the WTO at the Center for Strategic and International Studies.

Trade relations between Indonesia and Italy have rapidly increased with bilateral trade volume doubling in the past five years. Industrial relations have also increased with the establishment of joint venture companies in energy, chemicals, oil, gas, and biotechnology.

• Finance Minister's Economic Diplomacy Viewed

94SE0244B Jakarta WARTA EKONOMI in Indonesian 22 Aug 94 p 55

[Article by Didik J. Rachbini, consultant on economic affairs and graduate-level instructor at the University of Indonesia]

[Text] Minister of Finance Mar'ie Muhammad's "country road show" (CRS) provides a new nuance on the presence of a "deeper significance" for the Indonesian economy on the international scene. In the past, many observers underestimated the capacity, capability, and international experience of the minister of finance, whom the observers considered less adequate for action than previous monetary authorities. Even Mar'ie himself used the term "village chicken."

This action has been deemed useful for "selling" Indonesia's potential overseas. Even the observers have had a positive reaction to the finance minister's initiative. The action simultaneously reflects the government's seriousness about establishing strong economic ties with international business centers.

There are some direct and indirect benefits from the CRS. First, the action signifies that the Department of Finance has begun a new method for strengthening at a high level the international economic network with big investors overseas. This method can become a form of economic diplomacy, which needs to be developed and institutionalized by the Indonesian Government.

Second, on the map of increasingly tight international competition, a proactive attitude from bureaucrats and technocrats is greatly needed to penetrate markets and to exploit economic and investment opportunities that exist in various parts of the world. With such a proactive attitude, a strong state role in Japan has had a very great share in the expansion of the Japanese economic network to many countries.

The textiles case is a concrete example of the need for a proactive attitude in the framework of economic diplomacy. Economic diplomacy to attract foreign capital for BUMN's [state-owned businesses] is another example of what is now deemed important by high officials of the Department of Finance. Such a framework of economic diplomacy can also be developed in the context of neutralizing the impact of our growing foreign debt. In other words, what the minister of finance has done is a first step, which is not only relevant for the Department of Finance, but for other departments, too.

Third, the diplomatic substance and mission are to find new alternatives to fund development. Development should no longer be dominated by foreign debt, which has heavy impact on the APBN [national budget] and the domestic economy, but should use the alternative of attracting greater investment and capital through BUMN's.

Fourth, the input of capital into the giant BUMN's, most of which face problems and delays in anticipating national and international economic change, also means a positive marriage of management with foreign business entities. The business entities that are being invited must have a superior "management genetics" basis so that the marriage will provide a good product, namely an improvement in the BUMN system itself.

Foreign capital has great interest in expanding its wings to other countries. For us, however, the input of capital from foreign companies constitutes an incentive toward rationalization of the BUMN's themselves. It is hoped that the presence of foreign capital will bring not only financial consequences, but also consequences for the rationalization of management and the strengthening of institutions for the sake of speeding up the process of maturity and efficiency in our BUMN's.

Although, theoretically we hope for improvements, the "go public" efforts of the BUMN's need to be planned carefully. The basic calculation of contributions and benefits to be received from each side is to be based on a rational consideration that profits both sides.

Such steps in economic diplomacy can be considered by all levels in government agencies. In the future, economic diplomacy will become the most important part of developing international networks, because we will have chosen the "economic ideology" of an "outward-looking strategy."

Diplomacy at the level of high officials—ministers, in this case—will clearly be relatively more influential and

credible overseas. What is more important, however, is the institutionalizing of Indonesian economic diplomacy overseas, because world economic changes are taking place intensively, often unexpectedly. While we have been acquainted with political diplomacy in the past, when political activity was the important part of international relations, the institutionalizing of economic diplomacy needs to be thought of as a part of Indonesian economic modernization.

* Jakarta Stock Exchange Chief on Plans

94SE0244A Jakarta WARTA EKONOMI in Indonesian
22 Aug 94 p 78

[FBIS Translated Excerpt] After passing through a consolidation phase last year, PT [Limited Company] Jakarta Stock Exchange (BEJ) plans to give more priority to promotion and development programs. This "promise" was recorded in the 1993 BEJ Annual Report. More than half a year has now passed. How much of that planning been achieved?

"It is clear that the BEJ has been working to the maximum," Hasan Zein Mahmud, BEJ principal director, told Muhamad Ihsan and Ade Ardi of WARTA EKONOMI. In an interview at his office on the second floor of the exchange building, Hasan also described his "dreams" for the future of the Indonesian capital market. He also gave his views on the questions that have developed around the BEJ—including the "competition" among the BEJ, the Surabaya Stock Exchange (BES), and the Indonesian Parallel Exchange (BPI). Following are excerpts from that interview.

[WARTA EKONOMI] There are investors who say that rather than giving more room for foreign stockholders, it would be better to give opportunities to local investors, because many potential local investors are not acquainted with the capital market at all. What is your opinion?

[Hasan Zein Mahmud] If we expect the capital market to have a role in economic development, it is not enough to depend on local investors. The heart of the problem is that we have a "savings-investments gap" (an imbalance between the levels of national savings and investments). We need 660 trillion rupiah in the next five years to support 6 percent annual economic growth. Meanwhile, our "gross national savings" are only 20 percent of the GDP [gross domestic product] of about 260 trillion rupiah. This means that our savings are about 50 trillion rupiah per year. Thus, I say that domestic support is absolutely necessary, but, in any case, we can close our "savings-investments gap" with outside loans—whether "direct investments," government loans, or the capital market.

[WARTA EKONOMI] In other words, you want to see that our capital market is vigorous before resolving the issue of stabilizing the exchange. What about education regarding the capital market, which is deemed still inadequate?

[Hasan Zein Mahmud] The BEJ has been working to the maximum, but the results are only so-so. Thus, we have actually done much, beginning with what we could not have hoped for in the short term—inviting in teachers and approaching the Department of Education and Culture about putting material on the capital market in student curricula for primary schools, lower secondary schools, and upper secondary schools.

There is also what we have done with business targets, particularly what we have sought from potential stock issuers and investors. I myself have been to every corner of Indonesia. We have also approached BUMN's [state-owned businesses], pension fund organizations, and insurance companies, but the results have been very small.

[WARTA EKONOMI] What, then are the obstacles to this development?

[Hasan Zein Mahmud] There are three obstacles. First, "public awareness" is very low. Second, the mobilization of domestic individual investors absolutely requires what are called investment funds. If investment funds should begin to appear next year, we will be able to eliminate this handicap. Third, there is the technological obstacle that the BEJ faces. Because of this obstacle, people outside Java cannot take an active part. Theoretically, however, the BEJ will be computerized in the next two years. We will be able to install trading in Denpasar, Bandung, and other places. There will then be broker branch offices in those places.

[WARTA EKONOMI] What, then, will be the job of the forum (FISRO, or Inter-Self-Regulatory Organization Forum) that brings together the BEJ, BES, and BPI?

[Hasan Zein Mahmud] It can divide up the market, or it can unite them; but the point is, FISRO wants us to show the same face to the outside as public servants. Then, we will try to discuss behind the scenes the differences (as business organizations) that emerge. There is one consensus: that service to the public must be given priority.

Essentially, there are two options. First, we agree that there is a national consensus, and we comply with it. Second, we will be allowed to compete honestly as other companies, provided there is no discrimination. If one reduces fees, the others may also reduce fees. That is right, isn't it? If one works in a particular direction, the others may do the same. We hope, however, that it will not come to that. [passage omitted]

[WARTA EKONOMI] It is reported that the BEJ has also applied for membership in the FIBV (Federation Internationale des Bourses de Valuerus)—International Federation of Stock Exchanges, headquartered in Paris.

[Hasan Zein Mahmud] True, and now they are sending an evaluation team. There will then come what is called a "development committee." The committee will then make recommendations to the general assembly. The

general assembly will convene on 9 October in Seoul. Prior to the assembly, they will take a vote on whether we will be accepted.

* Limits to Interest Rate Increases Urged

94SE0241C Jakarta BISNIS INDONESIA in Indonesian 22 Aug 94 p 1

[Text] Jakarta, BISNIS INDONESIA—J. Sudradjad Djihadono, governor of the Bank Indonesia, has said that the banking community has been authorized to raise interest rates, provided that this is not done continuously. Meanwhile, a banking observer has stated that interest rates should not be used as instruments for competition between banks.

Sudradjad told an ANTARA representative in Jakarta on 21 August: "If fundamental factors require interest rates to rise, that is all right. However, if the increases are continuous because banks fear that other banks will raise interest rates higher than they have, clearly, this is not a positive development, and we will warn the banks concerned."

According to Sudradjad, the banking sector, in fact, does not like interest rates which are too high, because this makes it difficult to extend loans to business firms and manufacturers. Indeed, he did not reject the possibility that bank credit would cease to flow smoothly, which would cause the banks concerned to lose money.

Answering a question about the normal standard used in setting interest rates at present, Sudradjad said that the Bank Indonesia will not try to set them because this is the right of the banks involved.

At the same time the statement by the governor of the Bank Indonesia indicated that an interest rate "war" between the various banks has begun to be felt, especially in attracting funds from the public into the banking system.

Regarding the public deposits (in rupiahs and foreign exchange), it was stated in the weekly report of the Bank Indonesia of 30 July 1994 that deposits received by private Indonesian banks were far greater than those received by government banks. This situation has been apparent since the period between October 1993 and May 1994.

During this period government banks' deposits declined from 62,799 trillion rupiahs to 60,904 trillion. During the same period deposits received by private banks rose from 63,052 trillion rupiahs to 71,825 trillion.

I. Nyoman Muna, a retired banking observer who had previously been general chairman of PERBANAS [Association of Indonesian Private Banks], was contacted on a separate occasion on 21 August. He stated: "This situation was caused by private banks' interest rates on deposits being far higher than those of the government banks."

He declared that the banking sector should not use interest rates as an instrument for competition between banks, particularly in attracting deposits from the people.

He urged that competition between banks should be in the form of the quality and range of banking services provided to depositors.

Retired Admiral Sukardi, another banking observer, said that many people already know that what influences the level of interest rates is not only inflation. The extent of depreciation of the rupiah against the U. S. dollar is also taken into account.

In his view, in addition to these two factors the incentive provided by national interest rates must consider changes in the interest rates affecting the dollar and the rupiah.

Meanwhile, Anwar Nasution, a teacher at the Faculty of Economics of the University of Indonesia, considers the increase in interest rates in the national banking sector as something which is only appropriate, because no country, including Indonesia, can free itself from the power of the U. S. dollar.

Admiral Sukardi said that the Bank Indonesia can control the inter bank money market by increasing the effectiveness of monetary tools (such as SBI/SBPU) [Bank Indonesia Certificates/Certificates of Publicly Owned Banks], as well as controlling credit through government banks.

Another obstacle, according to Admiral Sukardi, is the careless attitude of banks in poor condition toward the policies of the central bank. Banks in poor condition pay no attention to changes in the interest rates on Bank Indonesia Certificates and Certificates of Publicly Owned Banks.

* Firm's Price Earning Ratio To Be Eased

94SE0241B Jakarta BISNIS INDONESIA in
Indonesian 19 Aug 94 p 1

[Text] Jakarta, BISNIS INDONESIA—Reportedly, BAPEPAM [Capital Market Regulation Board] will ease the "Price/Earnings Ratio" presently set at 15 to one, in connection with the planned listing of shares of PT Indosat [Indonesian Satellite Corporation], scheduled for October 1994.

A BISNIS INDONESIA source at the Jakarta stock exchange stated in Jakarta on 18 August: "BAPEPAM will adjust its policy for political reasons, that is, the listing of PT Indosat. It is public knowledge that the government has an interest in the BUMN [State Enterprises Board]."

The source stated that the conservative attitude of BAPEPAM, which has set the price/earnings ratio at 15 to one, has been a very positive influence in supporting

the functioning of the Indonesian capital market which, at present, is considered an "emerging market."

The source said that in view of market conditions which are now "bullish," the present price/earnings ratio permitted, which is based on the mechanism of the market, also has had a positive impact on the capital market. This is because it is the power of the market which must really determine what the price/earnings ratio should be.

He said: "Well, because the price/earnings ratio of PT Indosat shares, which will be offered for sale and registered in the near future, is more than 15 to one, there is a good possibility that the price/earnings ratio as a whole will also be raised. Furthermore, Bacelirus Ruru, the chairman of BAPEPAM, has said that the process of issuance of PT Indosat shares will be the same as in the case of other shares."

The decision setting the price/earnings ratio at 15 to one entered into effect at the end of January 1994, when the minister of finance wanted the ratio between earnings per share and the market price raised from the previous level set by BAPEPAM of 13 to one (reported in BISNIS INDONESIA on 20 January 1994).

The price/earnings ratio is one indicator for determining share prices on the stock exchange used by investors and other persons involved in the capital market to determine how long it will be before a full return on investment can be expected. The price/earnings ratio is determined by dividing the price of a share at a given moment by the estimated earnings per share of the company concerned by the end of the year concerned.

To protect the investor, BAPEPAM, under the chairmanship of Bacelirus Ruru, had used a price/earnings ratio of 13 to one. This policy was adopted because there was a decline in share prices over the period from 1989 to 1991. One of the causes of the decline was that companies issuing stock and their underwriters set the price/earnings ratio too high.

Answering a question about PT Indosat, whose price/earnings ratio is more than 15 to one, the chairman of BAPEPAM, was unwilling to answer explicitly.

He said: "What I know for sure is that the price of PT Indosat shares overseas will be same as that in Indonesia. If the problem is that the price/earnings ratio of PT Indosat is more than 15 to one, then this matter will be clarified."

Regarding the criteria for setting the price/earnings ratio for PT Indosat, which is now more than 15 to one, Ruru said that this is based on the principle of "back to basics." This means that it will depend on supply and demand in the market.

According to a BISNIS INDONESIA source, the government's plan to raise the price/earnings ratio from the present level of 15 to one has been discussed at a closed

meeting held this week between BAPEPAM and the Association of Indonesian Share Underwriters (APEI).

L. G. Rompas, the chairman of the APEI who was contacted by BISNIS INDONESIA on a separate occasion, said that in fact the question of the price/earnings ratio is a matter for the market. That is, it depends on the underwriters and the company which undertakes a new issuance of stock.

He said: "It is not true that the question of relaxation of the price/earnings ratio is related to the issuance of PT Indosat shares. This has only happened because market conditions in fact wanted it to happen that way."

He said that in setting the price/earnings ratio it is the underwriter of the stock issue who is the best informed about market conditions and the situation of the company issuing the stock. He added: "Therefore, the government's plan should be looked at as a positive element for the development of the capital market nationally."

The matter of setting the price/earnings ratio became an interesting issue when, some time ago, Baring Securities, a foreign stock underwriter, held serious discussions with a BAPEPAM official, who advocated a given price/earnings ratio to the company which was underwriting the issue.

As a result, a plan by PT Ciputra Development to "go public" about its own program of stock issuance was postponed. A BISNIS INDONESIA source stated: "It was only after very complex negotiations that the company dropped its plan to 'go public.'"

Thailand

Editorial on Clinton's Handling of Gulf Crisis

BK1210084694 Bangkok THE NATION in English
12 Oct 94 p A6

[Editorial: "New Gulf Crisis A Win-Win Situation For Clinton"]

[FBIS Transcribed Excerpt] Iraq's troop buildup on the Kuwaiti border could hardly have occurred at a more opportune time for US President Clinton who is riding high on foreign policy following the departure of Colonel Cedras from Haiti on Monday.

Clinton had few options but to order a rapid deployment of US forces to the region given the criticism that followed George Bush's reluctance to commit troops to the Gulf in the lead up to Operation Desert Storm in Jan 1990.

Prior to Haiti, critics were charging that the Clinton administration lacked direction in its foreign policy and had relied too much on the globe-trotting antics of former president Jimmy Carter to help solve global crises. [passage omitted]

For President Clinton and the UN, the Iraqi provocation appears to be developing into a win-win confrontation. This is good news for an administration facing congressional elections in less than a month.

Given that, in the aftermath of Desert Storm, Saddam's nuclear weapons programme was shown to be at a more advanced stage than many international experts had previously believed, Iraq's neighbours will be unlikely to express even tacit support for Saddam.

More importantly, the Middle East peace process has altered the region drastically since Operation Desert Storm. Saddam's tactic of appealing to old-style anti-Israeli sentiment is unlikely to curry much favour at a time when the Palestinians, Jordanians and even the Syrians are talking directly to Israel. These countries also value their new-found ties with Washington.

There can be little doubt that Saddam is using the troop buildup chiefly to serve his domestic agenda. The Iraqi president is seeking to divert attention away from the crippling effects of the UN trade and oil sanctions on the domestic economy.

The architects of the UN sanctions designed the policy in the hope of devastating the economy and triggering a popular uprising that would overthrow Saddam. Instead, he has tightened his grip on power and continues his war against minorities such as the Kurds.

While the international community could claim that the sanctions are having the desired effect in that the country is disintegrating and Saddam is resorting to desperate measures to maintain power, the cost has been unbearably high for most Iraqis. Iraq last week claimed that one million people had perished because of the sanctions which were imposed in Aug 1990.

Whether Saddam Husayn will lead Iraq into the fury of another Desert Storm is impossible to predict, but the scenario can't be ruled out given the ruler's penchant for impulsive and seemingly irrational actions. The fact that he weathered the previous devastating war and four years of international sanctions should be cause enough for concern.

On the American side, Defense Secretary William Perry has admitted that the option to strike first has been left open, while Kuwaiti newspapers are crying for 'war anew'.

But the international community and the United States in particular should be wary of using the groundswell of opposition to Saddam to serve their own political agendas by launching preemptive strikes against the Iraqi troops.

As Desert Storm demonstrated, the Iraqi soldiers were often unwilling participants in a war they knew little about. They were simply pawns in a political game being played by one shrewd and ruthless dictator who has

bought suffering to millions. The international community must not add to that suffering. Rather, it should continue to seek ways to remove Saddam Husayn from power.

Cabinet Reshuffle Controversy Continues

Chamlong Facing 'Mutiny'

*BK1210032194 Bangkok BANGKOK POST in English
12 Oct 94 pp 1, 3*

[FBIS Transcribed Excerpt] The first rumblings of mutiny echoed through Phalang Tham Party (PDP) corridors yesterday as Cabinet ministers and their secretaries targeted by the reshuffle prepared to call on party leader Chamlong Simuang today to review his new Cabinet list.

Dissatisfied party MPs said they questioned the qualifications of the three "temple faction" members set to become ministers. The MPs said they would withdraw their support for the party if Maj-Gen Chamlong does not review the reshuffle list at today's party meeting. They also said Prime Minister Chuan Likhai should not dissolve Parliament but should choose a new coalition partner to replace the PDP.

Democrat MPs expressed fear the PDP ministers may vote against naming Charat Phuachuai deputy house speaker to replace Thawin Phraison at the House meeting today. Mr Charat, although replaced as a minister, is very loyal to Maj-Gen Chamlong. The Opposition is contesting the post and it is feared the Government may lose it because of the PDP conflict.

Democrat spokesman Akhom Engchuan said the party had told all its MPs to be present at the House meeting today.

Other party sources said Democrat secretary-general Sanan Khachonprasat called on former prime minister Prem Tinsulanon yesterday afternoon and asked him to use his influence in patching things up between Maj-Gen Chamlong and Sqn Ldr [Squadron Leader] Prasong Sunsiri—the alleged ring leader of the MPs unhappy with the PDP Cabinet overhaul.

The Democrats said the Government would withdraw the Civil Service Salary Amendment Bill from House consideration today if it loses the deputy house speaker position as it would have to resign or dissolve Parliament if it lost the bill.

Maj-Gen Chamlong warned yesterday the longer it took to announce a new Cabinet, the more problems there would be. He said he would not change any of his Cabinet nominees.

Political observers said a long delay would benefit the Prime Minister. His Democrat Party has had frequent conflicts with the PDP and they are fierce competitors in seeking the public vote.

The secretary to Deputy Interior Minister Chamni Sakdiset, Bangkok MP Thian Manohorathat, said about 23 party ministers and their secretaries agreed Monday night to demand an explanation on the reshuffle of all 11 party ministers and a review of the decision.

They claim many of the designated ministers lack the ability and knowledge for Cabinet positions, but they did not question the choice of outsiders Thaksin Chinnawat and Wichit Suraphongchai as foreign and transport ministers respectively.

Instead they questioned the appropriateness of three party members: deputy interior minister-designate Seri Phatthanaphongchai (a non-MP), deputy education minister-designate Phongsak Intharaphanit (Khon Kaen MP) and prime minister's office minister-designate Phimpha Chanprasong (Nonthaburi MP).

Mr Thian said the meeting Monday was chaired by Deputy Prime Minister Bunchu Rotchanasathian. It was decided that Deputy Education Minister Adison Phiangket would raise the points at the party meeting today.

The Bangkok MP said the ministers did not understand why outsiders were being brought in and why unsuitable people were being given posts without prior consultation with the party. But the ministers do not want to question the choice of Mr Thaksin and Mr Wichit because they were invited by Maj-Gen Chamlong.

He said the party leader should not use his power and that of the administrative committee, which is made up of those loyal to him, to make such a major political decision for the entire party. "There are some good men among the 11 ministers to be removed and they should be kept on the job," he said.

Mr Thian said the group did not discuss withdrawing support for the Government in Parliament if they are ignored. "We don't want the Prime Minister to dissolve the House. But if the party does not go along with us, we should withdraw and the Premier should find another party to replace Phalang Tham as a coalition partner.

"There are more than 20 of us and the Government has a majority of only about 15 votes. But really we don't want a dissolution of Parliament."

He said the only ministers that did not attend the meeting Monday were PM's Office Minister Chinnawut Sunthonsima, University Affairs Bureau Minister Suthep Atthakon and Public Health Deputy Minister Udomsin Sisaengnam.

Foreign Minister Prasong confirmed the meeting took place but said the ministers and their secretaries just met to "have a meal together". "We used the meeting to follow up on the political situation. This is part of doing our duties as MPs," he said. Sqn Ldr Prasong said Maj-Gen Chamlong came to see him at his home yesterday morning since he had not been in the country for

three weeks. "I told him I don't have any problems with him and he said he also did not have any problems with me." He said Maj-Gen Chamlong did not tell him the reasons for replacing him as they did not raise the subject.

Sqn Ldr Prasong admitted there was some dissatisfaction among party MPs about Maj-Gen Chamlong bringing outsiders into the Cabinet because they felt they should have been considered first. "I think that they may ask him for an explanation. I think talk they will unite to reject the party resolution is something people are just speculating on," he said.

Maj-Gen Chamlong said he had checked with many of the unhappy MPs and they had all denied involvement in a possible mutiny. But he admitted there was an attempt to shake up the political situation because of disappointment among MPs who did not receive a portfolio. This was normal with every Cabinet reshuffle.

"The longer the process of naming the new ministers takes, the more undercurrents there will be. But I can not speed things up. The Prime Minister will call me and Gen Chawalit Yongchaiyut for talks this week. Gen Chawalit's list would be ready in a couple of days," he said.

Maj-Gen Chamlong appealed to party MPs to think of serving the Parliament rather than the Cabinet. He said he could not choose only MPs this time because the Government's term is nearing an end and the outsiders have the clearer ability to get things done in a short time.

He said he did not believe the rumours that Sqn Ldr Prasong was masterminding the party unrest because he was a political elder. "I met him this morning and he was all smiles. He said he would be willing to advise the new foreign minister and could be contacted at the ministry at all times."

The PDP leader said he would not change his Cabinet list regardless of the demands from the dissatisfied ministers and MPs. He said the 11 ministers-designate were more than qualified for their posts. "I really want to know who the 23 dissatisfied MPs are and who is leading them." [passage omitted]

PDP Changes Heavily Criticized

*BK1210085994 Bangkok BANGKOK POST in English
12 Oct 94 p 2*

[FBIS Transcribed Excerpt] A number of Phalang Tham Party MPs and a Chulalongkon University academic yesterday strongly criticised the PDP's proposed change in its ministerial line-up, particularly the nomination of telecommunications tycoon Thaksin Chinnawat as foreign minister.

At-ong Chumsai na Ayutthaya, secretary to Foreign Minister Prasong Sunsiri, said that whoever is to be foreign minister should come from an election so as to be acceptable to other democratic countries. He asked for

what reason do the executive committee and party leader Chamlong Simuang want to replace the current PDP ministers in the Cabinet.

Cabinet members should mostly be picked from party MPs, except when an expert in a certain field is in need, the Bangkok MP said.

"Sqn Ldr [Squadron Leader] Prasong has been highly recognised for his performance which has been outstanding. Even the Prime Minister is full of praise for him," Mr At-ong said.

However, he declined to comment on whether Mr Thaksin is suitable to be foreign minister. Mr At-ong said most of the party MPs did not clearly understand Maj-Gen Chamlong's reason for proposing the change.

"We hope that Maj-Gen Chamlong can explain the reason for the reshuffle to us at the party meeting on Thursday," he said. [passage omitted]

Sisaket MP Kuthep Saikrachang said the change in the PDP's ministerial line-up this time was regarded as damaging to democracy because outsiders, who had no real ties with the party, had been nominated to take ministerial posts.

In the past, Mr Thaksin had paid no attention to the PDP, Mr Kuthep said, adding that Maj-Gen Chamlong's action might encourage party members to leave the party.

Mr Kuthep suggested that the Prime Minister should leave the PDP out of the coalition because the change would certainly affect government stability. There might be problems with party MPs having conflicts with party ministers in the future, he said. [passage omitted]

Asked to comment on whether Mr Thaksin's business interests in Indochina would be a problem for implementation of the country's foreign policy, Mr Chuan said he had not yet talked to Maj-Gen Chamlong about this matter, adding that he had to listen to the PDP leader's reason.

In a related development, an expert on foreign affairs expressed concern at the conflict of interests over the PDP's nomination of Mr Thaksin as the next foreign minister. "My first reaction when I heard the report was negative," said the Chulalongkon University academic who asked not to be named. She cast doubts on whether having big businessmen who have a lot of interests in neighbouring countries like Mr Thaksin as foreign minister would affect the country's policy-making process. [passage omitted] "He is a real businessman, a ruthless kind of businessman who will do everything to acquire what he wants. It's quite a worry," she commented.

The scholar pointed out that although economics was very important in the present world, "it is not important for foreign affairs." [passage omitted] She also said she could not yet think of anyone good for the position, but it was good that the old minister was going. "Having

someone who thinks he doesn't know but is willing to learn from others with good judgment is better than having those who think they are intelligent because they jealously guarded their narrow ideals," she said.

Thaksin's Nomination 'A Big Gamble'

*BK1210090994 Bangkok BANGKOK POST in English
12 Oct 94 p 4*

[Editorial: "Chamlong Makes A Risky Choice of Naming Thaksin"]

[FBIS Transcribed Excerpt] Any major change taking place within an organisation usually produces one group of people in favour and others who are unhappy and disappointed because they are affected by this change. Therefore the discontent openly and implicitly voiced by some Phalang Tham Party [PDP] ministers over the prospect that they will be removed from their posts is quite a normal reaction. [passage omitted]

The party executive committee has approved a list of 11 nominees for the Cabinet posts to replace all the existing incumbents. Of all the successful nominees, none is more controversial or has earned more public attention than Thaksin Chinnawat, the king of Thailand's telecommunications, who was nominated for the foreign ministerial portfolio.

Handpicked by party leader Chamlong Simuang, Mr Thaksin's capability is beyond any doubt if his impressive business success is to be used as a yardstick. But in the world of international diplomacy, especially in this era of globalisation, where diplomatic niceties and traditions are a strict practice and where protecting the national interest is as important as maintaining good relations with other countries, business acumen and the crude business approach are not enough to achieve success. They may even be out of place in diplomacy.

A successful businessman may beat the competition and clinch a multi-billion baht contract by resorting to all kinds of tactics. He may even bribe his way to get the contract and no one would bother to raise an eyebrow because success in business is measured only in terms of profits made with little or no room for professional ethics. In the business world, it is considered good if you beat your rivals and much better if you succeed in driving them out of business to gain control or a monopoly.

But in the world of diplomacy, the catchword is mutual benefit if one country is to maintain good relations with its neighbours and other distant countries. It is not a place to outwit or outbid others in order to stand on top. A successful diplomat is a person who can use smooth talk to protect his country's interest as a priority while, at the same time, not offending his counterparts in other countries or making them feel that they have been put at a disadvantage.

Although Mr Thaksin has declared that he has resigned from all key positions in his telecommunications companies, he is still the rightful owner of his huge empire. The question remains whether he will be able to distinguish between national and individual interests and where the priority lies. [passage omitted]

Prasong Criticizes Thaksin

*BK1210043394 Bangkok THE NATION in English
12 Oct 94 p A2*

[FBIS Transcribed Text] Outgoing Foreign Minister Prasong Sunsi defended his foreign policy yesterday, saying telecommunications mogul Thaksin Chinnawat's policy is "nothing new" from what he has done.

Meanwhile, Prasong's close aide, At-ong Chumsai na Ayutthaya (Phalang Tham-Bangkok), rebuked Thaksin for "not having any political etiquette" in announcing his foreign policy before officially taking over the post.

Thaksin was elected last Sunday by the PDP [Phalang Tham Party] executive board as the new foreign minister in the reshuffled PDP Cabinet line-up. The line-up will become effective only after His Majesty the King has approved it.

After learning he was given the post, Thaksin said on Monday foreign policy under his guidance will give economics precedence over politics, and foreign negotiations will mainly emphasize trade.

However, Prasong (PDP-Bangkok) said the Chuan government is already letting this happen. "At present, the government lets economics take precedence over politics. The Foreign Ministry's main duty is to widen foreign doors to our market. International relations are also very important. It's unnecessary for the Foreign Ministry to act like the Commerce Ministry," he said. "New PDP ministers should say nothing until the new Cabinet line-up has been approved by the King."

Asked if his party would be dubbed "the party of businessmen" since it invited non-MP businessmen to take up major Cabinet posts, Prasong said: "People have the right to think that way."

Asked about a rumour that the decision to bring in outsiders was prompted by the PDP's lack of capable MPs to take up Cabinet portfolios, the minister said some PDP MPs who failed to get portfolios may have such feelings.

He said party MPs should be considered first by the executive before it decides to take in outsiders.

At-ong said Thaksin shouldn't have declared his foreign policy before being officially appointed. "Thaksin's announcement of his foreign policy, despite Prasong still being in office, is not proper at all. Thaksin doesn't seem to have any political etiquette."

He said Prime Minister Chuan Likphai still has the right to summon deputy prime minister Bunchu Rotchanasathian and Prasong for discussion on the PDP's new Cabinet reshuffle. He said if the three believe the new Cabinet members might affect the stability of the government, Chuan could refuse and return the list to Chamlong for review. "Everything is uncertain. It depends upon what resolution Chamlong and Chuan can work out."

At-ong, who once was believed to have Prasong's support to run against Chamlong for the PDP leadership, said PDP unity will have some effect on the stability of the Chuan government. He said any outsiders wanting to become part of the Cabinet must first receive approval from Cabinet ministers and MPs. The outsiders' background should also be relevant to the Cabinet posts they take up. "The coalition parties have to work as a team, not as individual MPs."

Asked about the PDP's new line-up, At-ong said it will be certain only after the King endorses it. He said Chamlong should clarify his nominations to party MPs. Prasong, he said, is held in high regard by the international community. "Prasong is the first Foreign Minister to have such excellent relations with other Asean countries, especially Burma."

Outgoing Communications Minister Col Winai Somphong, At-ong said, is one of the most outstanding MPs in the party.

Asked about the PDP criteria for electing Cabinet MPs, he said it usually went by a quota of MPs from each region. "Only a few outsiders stand a good chance of being allocated Cabinet posts."

At-ong added that the party previously agreed that members of its executive shouldn't be Cabinet ministers, but at last Sunday's executive meeting that agreement changed.

He said the party resolved long ago that it would not have two Cabinet ministers from the same province, but Chamlong and Thinnawat Marukkhaphithak (both PDP-Bangkok) have been elected to take up Cabinet portfolios.

At-ong denied that a recent meeting of the 11 active PDP ministers was a conspiracy aimed at toppling the PDP's new line-up.

Prasong Denies Move To Ignore Decision

BK1210030894 Bangkok Radio Thailand Network in Thai 0000 GMT 12 Oct 94

[FBIS Translated Text] Foreign Minister Squadron Leader Prasong Sunsiri denied news reports that the entire group of 11 ministers from the Phalang Tham Party will not accept the decision made recently by the party Executive Committee on reshuffling the party's ministers. He said that it was only a rumor. The meeting on 10 October of the 11 ministers targeted for reshuffle

was meant only for consultations among them on current political issues, said Prasong.

Thaksin: No Cambodian Coup Involvement

BK1110163594 Bangkok THE NATION in English 11 Oct 94 pp A1, A3

[FBIS Transcribed Text] Telecommunications tycoon and foreign minister nominee Thaksin Shinawat yesterday denied any involvement in the abortive coup in Phnom Penh in July, saying his economic ventures in Cambodia represent only a minimal part of his multi-billion-baht business empire.

He said he did not know whether recent rumours alleging his involvement were "a mere coincidence" or designed to tarnish his reputation as he was being considered as new foreign minister. The businessman, who has often spoken of his intention to enter politics, also denied that he would use the ministerial post to assist his overseas economic expansion. He said he had no need to struggle that hard since his business was doing very well. Its investment in Indochina was very small since that was not its prime target area, he said. Thaksin said he had accepted last week Phalang Tham Party (PDP) leader Maj Gen Chamlong Simuang's offer to take the ministerial post.

He was stormed with political questions throughout an extensive press conference held yesterday afternoon at his Shinawat Co office. The press conference was initially scheduled to announce a concert to raise funds for people affected by floods in the North.

The conference came at a time when his name and those of Shinawat's companies in Cambodia have resurfaced in connection with allegations made in Cambodia that they helped finance the coup attempt against the elected government in early July.

Cambodia Shinawat Company Limited (CAM) has a 15-year concession to install a telephone network in Cambodia, while the International Broadcasting Corporation (Cambodia) Limited (CBD) is running the first private Cambodian television and radio stations in Cambodia for 30 years.

Thaksin, who yesterday announced his resignation as chairman of Shinawat's telecommunications empire, also announced the new direction Thai foreign policy would take under his helm. In this new era of globalization, economics must take precedence over politics, and all international negotiations must concentrate on economic affairs, he said.

Asked about the coup allegations against him, Thaksin maintained his innocence and asked what he could possibly have gained by involvement in the coup attempt. He asked for a halt to the character assassination and said he was ready to testify in the case, otherwise he would not have decided to enter politics.

"I want to ask what I would have got if I was really involved in the coup attempt in Cambodia. I don't know anything about it. It all depends on how people think. People should stop destroying one another. I can explain everything and testify about the case, otherwise I would not have decided to enter politics," said Thaksin, who holds a PhD in criminal justice.

Asked why he declined the New Aspiration Party's offer as deputy prime minister and accepted the PDP's offer Thaksin said he believed he was better suited to the foreign portfolio.

Thaksin said he planed to run for Parliament at the next elections in either Chiang Mai or Bangkok, but that all depended on whether the PDP wanted him to become a MP or not.

NAP To Submit List 'Next Week'

BK1210131394 Bangkok Radio Thailand Network in Thai 1200 GMT 12 Oct 94

[FBIS Translated Text] General Chawalit Yongchaiyut, deputy prime minister and interior minister, said the New Aspiration Party will submit a cabinet reshuffle list involving its ministers for the prime minister's consideration in the latter part of next week.

Regarding the Phalang Tham Party, Chawalit said party members must uphold discipline if they want to remain in the political circle. If the people or certain groups are unhappy with a party, it is the duty of the party to show that it has an attitude of responsibility for the people.

[Begin Chawalit recording] Party members must uphold discipline if they want to remain in the political arena. People consider a politician's respect for party discipline to be very important. If you want to remain in the political circle, you must persevere and obey party discipline. People know, they can tell, why you are removed from a post—whether you have failed in your duties or you are being removed despite having performed your duties well. That is why I say that the Phalang Tham Party must be responsible to the people. [end recording]

NAP Deputies Defer to Chawalit

BK1110171094 Bangkok BANGKOK POST in English 11 Oct 94 p 6

[FBIS Transcribed Text] All New Aspiration Party MPs will abide by the reshuffle list of party ministers drawn up by NAP leader and Interior Minister Chawalit Yongchaiyut as it was the MPs who had empowered him with the sole authority to make the new appointments, NAP secretary-general Phisan Munlasatsathorn said yesterday.

Mr Phisan insisted that the list would be kept a secret for the time being and its contents would only be disclosed after Gen Chawalit's discussion on the shake-up plan with Prime Minister Chuan Likphai.

But speculation had it that Mr Phisan, now the Science Technology and Environment Minister, would become a deputy prime minister while Deputy Interior Minister Den Tomina would be forced to swap his post with Deputy House Speaker Wan Muhamad Nor Matha.

Mr Phisan and some of the other NAP MPs including Prasong Bunpong of Nakhon Phanom, Surin's Kasem Rungthanakiat and Deputy Government Spokesman Montri Danpaibun yesterday visited the Interior Ministry to discuss the reshuffle over lunch with Gen Chawalit. Mr Phisan, however, flatly denied that the MPs had discussed the reshuffle list with the party leader.

Mr Den, meanwhile, voiced dissatisfaction over media reports that he may be on his way out of the Cabinet in the latest reshuffle, and made it known he was not keen on accepting the Deputy House Speaker's post. "The Deputy House Speaker should be elected by the House of Representatives. It is not proper to just put anyone you feel like in that important a post," he said. Mr Den said he must admit that he was not fit for the role of a Deputy House Speaker because he was too "soft".

Chawalit: No PDP Link in Reshuffle Delay

BK1210042694 Bangkok THE NATION in English 12 Oct 94 p A4

[FBIS Transcribed Text] The New Aspiration Party's [NAP] Cabinet reshuffle will be forwarded to Prime Minister Chuan Likphai by the end of the week but the delay has nothing to do with the Phalang Tham Party's [PDP] new Cabinet line-up, NAP leader Gen Chawalit Yongchaiyut said yesterday.

Chawalit said he has met Chuan and discussed the party's new line-up. "I've already informed Chuan that the NAP will reshuffle some of its ministers and the new format would be forwarded to him by the end of this week," he said. Asked about a rumour that he had delayed the handover because he wanted to see the results of the PDP reshuffle, Chawalit said his party affairs had nothing to do with that of the PDP.

A source said a number of prominent NAP figures met Chawalit yesterday at Government House to lobby for posts. Among them were Deputy Communications Minister Thawi Kraikhup, minister attached to PM's Office Surasak Thiamprasoet and deputy government spokesman Montri Danphaibun.

Chawalit said he had made an appointment last Saturday with PDP leader Maj Gen Chamlong Simuang for a joint consideration of the two parties' line-ups but that had to be postponed. However, NAP insiders said Chawalit decided to delay handing over the list because he wanted to see the PDP line-up.

The sources said about three to four NAP ministers were thought to have been moved, with Sukhawit Rangsitphon, governor of the Expressway and Rapid Transit Authority of Thailand (ETA), tipped to take up the post of deputy prime minister.

Dissent Grows in PDP

*BK1210025594 Bangkok THE NATION in English
12 Oct 94 p A1*

[FBIS Transcribed Text] Conflicts deepened yesterday in the Phalang Tham Party (PDP), whose controversial Cabinet reshuffle plan remained in limbo, as coalition leaders tried to quash rumours that disgruntled PDP ministers standing to lose their posts would become a destabilizing factor in politics.

Prime Minister Chuan Likphai is to discuss the reshuffle list with PDP leader Chamlong Simuang at Parliament today, but chances of the shake-up plan getting early approval looked slim. Chuan said he had to wait for another reshuffle list from the New Aspiration Party, which is planning minor changes to its own Cabinet team.

"I can't say whether I'm satisfied with the Phalang Tham reshuffle," Chuan told reporters. "In coalition politics, you can't get everything you want and nothing can satisfy you 100 per cent."

Sources said Chuan felt uneasy with PDP's decision to replace all of its 11 Cabinet members, particularly the removal of Foreign Minister Prasong Sunsiri, whose job would be taken over by communications mogul Thaksin Chinnawat.

"We should not be pessimistic," Chuan said, but adding that he would "express my opinions" during today's meeting with Chamlong. The PDP leader, who had said he did not expect Chuan to suggest any change to the new Phalang Tham Cabinet line-up, said separately yesterday he wanted Chuan to decide on the reshuffle as soon as possible to prevent any conflicts from snowballing.

Asked to comment on Thaksin, Chuan said the businessman should be given a chance to work first. "But if nothing improves two years after this reshuffle, the government would be held responsible," the prime minister said.

Chuan denied reports that 23 PDP ministers and MPs had urged him in a letter to block the reshuffle. "There's nothing like that," he said.

Rumours have abounded that Prasong was leading the outgoing PDP ministers in forming a so-called "centrist" movement which would be independent of the Phalang Tham Party when it comes to parliamentary affairs. Prasong yesterday confirmed he met some PDP ministers on Monday night, but denied he was planning a revolt.

However, tumultuous dissent grew in the party yesterday. Outgoing Deputy Education Minister Adison Phiangkat vowed to grill the party board's reshuffle decisions at today's meeting and expose a budgetary scandal involving his would-be successor Phongsak Intharaphanit.

A non-aligned MP in the strife-torn party, Kuthep Saikrachang, asked the prime minister to drop his party from the coalition government if he wanted to complete his four-year term.

"The situation is worrisome and may lead to a new election," said Deputy Communications Minister Phinit Charusombat, deputy leader of the Seritham Party. "I have asked my party members to prepare themselves for an election."

If the 11 current PDP ministers severed allegiance to the Chuan coalition, that would mean the government would lose its slim majority control of the House of Representatives.

Adison was asked by several Cabinet colleagues about the "secret gathering" on Monday night among PDP ministers. He declined to say what was discussed at the meeting, but shared jokes with the other Cabinet members about turning the disgruntled group "into a force to be reckoned with".

Major opposition parties, relishing the unexpected coalition troubles caused by the Phalang Tham reshuffle, have again challenged Chuan to dissolve the House and vowed not to join the government even if Phalang Tham was ousted.

Chuan, who has met and talked privately with top PDP ministers since the reshuffle was decided by the PDP's executive board on Saturday, said those who met him pledged continued support for the government.

"They have come to see me and expressed hopes to see this government continue with its work," said the prime minister.

Chuan held private talks again yesterday with Deputy Prime Minister Bunchu Rotchanasathian. Deputy Prime Minister Banyat Banthaththan, meanwhile, met other PDP ministers.

Some high-ranking PDP sources said the Monday night meeting of the upset ministers was being blown by the media out of proportion. They said some of those who attended the meeting had informed the party that it was a normal get-together during which current politics was unavoidably discussed.

"This morning several ministers contacted the party's headquarters to clarify how the meeting has been distorted," said a source. He added that PDP "knows full well that making a big fuss out of the reshuffle will only play into the hands of the Democrats who are seeking one good excuse to kick us out of the coalition."

Papers View Impending Cabinet Reshuffle

BK1210100894

[FBIS Editorial Report] The 12 October issues of three Thai dailies—MATICHON, SIAM RAT, and THAI RAT—publish editorials on the impending reshuffle of

the Thai cabinet, which will reportedly involve ministers of the Phalang Tham and New Aspiration Parties.

The 500-word Bangkok MATICHON in Thai editorial on page 2, entitled: "Give New Phalang Tham Party Ministers A Chance," says news of Phalang Tham Party's plan to replace all of its 11 cabinet ministers has generated great interest among the people and probably encouraged them to closely follow the effectiveness of the new ministers.

The editorial says the inclusion of Police Lieutenant Colonel Thaksin Chinnawat as new foreign minister "shows the ability of Phalang Tham Party leader Chamlong Simuang's power of persuasion, as it is common knowledge that Thaksin's business, which is worth billions of baht, could be affected by his joining a political party or taking sides." The editorial adds: "There is no question of the ability of Wichit Suraphongchai, the proposed new communications minister."

The editorial continues: "Although Thaksin will have to resign from the chairmanship of the Chinnawat Group, whose business involves investment in Thailand and abroad, it will not be easy for him to completely separate the group's business and the conduct of the foreign policy or the government telecommunications policy. Questions could arise as to whether he might exploit his political power to benefit his business group in the projects to come.

"People will have to give the new Phalang Tham Party ministers a chance to use their abilities to tackle national problems. Not being in the cabinet, in the past two years Major General Chamlong was unhappy with many areas of administration by the government. Now that he is in the cabinet [as published], it is hoped that he can respond to the people's interests and initiate new programs that he said he would carry out if given a chance. Let's hope that the Phalang Tham Party with Chamlong sitting in the cabinet will make decisions and tackle problems courageously and promptly."

The 600-word Bangkok SIAM RAT in Thai editorial entitled: "Phalang Tham Party Ministers Refused to Resign," on page 5, meanwhile, hints that the reshuffle does not seem to be that easy, as several ministers who are subjected to changes, including the foreign and communication ministers, do not want to resign from their posts. Explaining that a reshuffle of cabinet ministers is normal in a coalition government, the paper sees it as a method to settle the problems of lobbying for ministerial posts and squabbling for a share of power and interest by political parties. A criteria used for the transfer of a minister is when poor performance or when his continued presence in the cabinet would jeopardize the stability of the entire government.

"Yet, the forthcoming reshuffle is unusual because the ministers affected by the change are not those with a poor record of performance but rather those whose work is well accepted by the prime minister. Moreover, the

current Phalang Tham Party ministers are elected members of parliament who have received the mandate from their electorate to run the affairs of the country. Whereas, those who have been chosen to replace the current team are nonparty outsiders with no guarantee that they would be able to perform the duties assigned to them effectively," the editorial says, adding, in conclusion, that the reshuffle planned by the Phalang Tham Party "is rather a self-satisfying effort by leading members in the party."

Bangkok THAI RAT in Thai publishes an 800-word column by Lom Plianhit, on page 5, entitled: "The Leaf Is Torn." It also criticizes Phalang Tham Party Leader Maj Gen Chamlong Simuang. Chamlong explained that the reshuffle is being made under an earlier agreement that the party would reshuffle its cabinet ministers every two years. The columnist reminds readers: "It was stated on the day the new party executive board under Maj Gen Chamlong Simuang took over that it is the policy of the party not to see those serving on the executive board concurrently serve as cabinet ministers." The party said it was afraid ministerial responsibilities would leave executive board members with no time to work for the party.

"It was a matter of only a few days later that the party executive board under Maj Gen Chamlong Simuang changed its stand and chose some members of the board as cabinet ministers," the paper notes.

Commenting on what has been going on, Foreign Minister Prasong Sunsiri, one of the party ministers to be replaced, says: "People are watching politics; so please do not make it a farce." This, coupled with comments by Communication Minister Winai Somphong and Prime Minister's Office Minister Chinnawut Sunthonsima, reflected the image portrayed by the Phalang Tham Party nowadays. "What happened over a period of one month has laid bare to the bottom of the Phalang Tham Party. In fact, it is a political party not different from other parties. The only thing that makes it unique from other parties is the fact that Phalang Tham means Chamlong and Chamlong means Phalang Tham," the columnist concludes.

Prasong, Opinion Leaders Comment on Cambodia Ties

'Unacceptable' Conditions Alleged

*BK1110043594 Bangkok BANGKOK POST in English
11 Oct 94 p 8*

[FBIS Transcribed Excerpt] Some of Cambodia's conditions for the release of nine Thais accused of involvement in an abortive coup bid in Phnom Penh in July are unacceptable under Thai law, Foreign Minister Prasong Sunsiri said yesterday.

Sqn Ldr [Squadron Leader] Prasong said Thai Ambassador to Cambodia Sakthip Krairoek was taking care of the case. [passage omitted]

Cambodia's Second Prime Minister Hun Sen, while on his way to Paris for medical treatment early in September, told Sqn Ldr Prasong his government would release one of the remaining nine, Aram Khomkrot, on humanitarian grounds because his wife was expecting a baby. But Mr Aram is still detained in Phnom Penh.

"The Ministry of Foreign Affairs will consider how to assist these people," Sqn Ldr Prasong said yesterday. "But the conditions proposed by the Cambodian side cannot all be met since some of them are against the laws of Thailand," he said.

Charan Denies Backing Coup Try

*BK1010065994 Bangkok BANGKOK POST in English
10 Oct 94 p 2*

[FBIS Transcribed Text] National Security Council Secretary-General Gen Charan Kunlawanit yesterday lashed out at press reports alleging he had backed the foiled coup bid in Cambodia in July. He said the report was "irresponsible" and was an unfounded allegation against him.

Gen Charan welcomed the proposal by Opposition parties headed by Chat Phatthana Party leader Gen Chatchai Chunhawan to hold a censure debate to grill the Government over the Khmer coup allegations. The NSC secretary-general said it would be a good opportunity for him to clarify the allegation to the public. The allegation was bound to damage the national interest if it was allowed to circulate, he said.

Gen Charan said his statement in the debate would also help prevent further "misleading" press reports. "No official from the NSC has ever been sent to Cambodia. I have never ordered any (of the council) advisers to that country. I always carry out my duty in utmost transparency," insisted Gen Charan.

He said he has personally informed Deputy Prime Minister Banyat Banthaththan of his displeasure over the report.

Gen Charan said ever since the aftermath of the failed coup in Cambodia, he has kept Prime Minister Chuan Likphai updated on the latest developments in Cambodia, both verbally and in writing.

"The media is not a juridical institution to judge right from wrong. The news should be produced based purely on factual information and must never be distorted," the general said.

Gen Charan said he would not take legal action over the report until the NSC's information division completed an investigation into the allegation. He declined to elaborate on the progress of the probe.

NSC Chief Denies Thai Coup Role

*BK0810112294 Bangkok THE NATION in English
8 Oct 94 p A3*

[FBIS Transcribed Text] National Security Council [NSC] chief Gen Charan Kunlawanit yesterday denied

any Thai complicity in July's failed coup in Cambodia and accused the local press of misleading the public by carrying reports of unfounded Cambodian allegations.

Charan said he did not know how "Thai citizens in Thailand" could be involved in the affairs of other countries, which have their own responsible authorities.

"I appeal to people to use their powers of reasoning," he said, and not be misguided by news reports of Thai involvement in the failed putsch.

Phnom Penh has advised the government of the names of 14 Thais they suspect of involvement in the abortive power seizure and wish to question. Two of them are colonels who work as Charan's aides.

Charan was speaking on his return from Canada, where he accompanied Prime Minister Chuan Likphai on an official visit. It was his first comment on the subject since the Cambodian allegations became public.

The NSC chief said those who report about the Cambodian coup should show "wisdom" and bear in mind the positive and negative impacts of their articles on the country.

"The NSC has never used any office personnel for any operation because that is not their job," he said.

He said he did not know where the allegations of Thai involvement originated.

In an interview with THE NATION earlier this week, the two colonels denied any involvement in the abortive coup, but they agreed they were in Phnom Penh at the time.

The Cambodian government also suspects that a third officer who works for Charan in the NSC was involved. The former colonel, who has just been promoted to major general, is said to have picked up the coup leader, Cambodian Prince Norodom Chakrapong, at Bangkok's Don Muang Airport when he flew in from Malaysia where he had taken temporary refuge. He happened to use Charan's Jaguar limousine to collect the prince.

Charan said he has never been contacted by Phnom Penh for information about alleged Thai complicity in the coup bid.

He said he was prepared to testify before the Parliament, but had not been requested to do so. He said he learned that former prime minister and Chat Phatthana Party leader Gen Chatchai Chunhawan had some doubts about the coup.

"(If any MPs) are doubtful they should inquire through the proper channel, that is from the Parliament to the administration. It is a good thing that MPs are interested in the affairs of the country," he added.

Column Sees Deteriorating Ties

BK0810124594 Bangkok SIAM POST in Thai 8 Oct 94
p 4

[Arun Lanlua's Column: "Thai-Cambodian Relations Will Continue To Deteriorate"]

[FBIS Translated Excerpt] [passage omitted] Everybody knows the background of the abortive coup which took place in Cambodia on 1 and 2 July this year. The Cambodian government under the leadership of Prince Norodom Rannariddh and Hun Sen did not arrest or take any legal action against Prince Norodom Chakrapong and the other Cambodian coup plotters.

The 14 Thai workers who happened to have traveled to Cambodia during that period were made the victims by the Cambodian Government. The arrest of the 14 was planned by the Cambodian Government to implicate the Thai Government, particularly the Thai armed forces, in the coup attempt.

The accusation was made in a very aggressive tone and was supported by Japan's Asahi Shimbun and other countries wanting to dominate the Cambodian Government. Later five of the accused Thai nationals were released, but the nine others are still being kept by the Cambodian Government for use in bargaining with the Thai Government over the Khmer Rouge issue.

The aggressive behavior of the Cambodian first and second prime ministers, in particular Prince Norodom Rannariddh, has constituted a big slap on the faces of Prime Minister Chuan Likphai and Foreign Minister Squadron Leader Prasong Sunsiri, and was aimed at forcing Thailand, a bigger country, to comply with the conditions set by Cambodia.

Like any other government, the Thai Government recognizes the elected government of Cambodia and treats the Khmer Rouge as an outlawed faction, as declared by the law of that country.

The recognition of and support for the Cambodian Government are in conformity with the UN policy. However, Thailand, as a sovereign state with its national dignity and prestige to defend, feels rather uneasy having to bow to every demand made by the Cambodian leaders.

In particular, a call has been given for Thailand to give a helping hand in the suppression of the Khmer Rouge as the United States and Australia provide weapons and help improve the Cambodian armed forces. However, the Thai Government cannot take part in such an operation because it violates Cambodia's sovereignty, interferes in the internal affairs of that country, and is against the UN peace plan for Cambodia.

At any event, the Thai Government is already in a difficult position for it is unable to arrest all the Khmer

Rouge members entering the kingdom and return them to Cambodia as requested by the Cambodian Government.

Suppose a member of the Khmer Rouge enters Thailand, he or she is only guilty of violating the Immigration Law of 1979. The extradition of the person must be in line with the international extradition agreement, which cannot be applied in case of immigration offenses.

Just because the Thai Government is unable to comply with their requests, which run counter to international practice, Cambodian leaders have clamored about Thai support for the Khmer Rouge. [passage omitted]

As for the Cambodian Government's request for the seizure of Khmer Rouge property in Thailand, the Thai Government can only seize property after it has been proved that the property was used for committing crimes or was illegally attained or is in someone's possession contrary to the law. Everything must proceed according to the procedures of justice.

It is necessary to consider the problem from different angles. The United Nations has passed a 22-point resolution to impose total sanctions against the Khmer Rouge, effective from midnight on 31 January 1993. [passage omitted]

Thailand has been hardest hit by the said UN resolution. Forty-eight Thai companies have invested in the logging business in Cambodia and have suffered a sudden loss of 1.4 billion baht as a result of the timber export ban, while Japan and other countries have stood to make a fortune. [passage omitted]

Apparently, the people of the world do not believe that the 14 Thai nationals were really involved in the abortive coup in Cambodia. The Cambodian leaders therefore shifted the target of their accusations from the Thai armed forces to the National Security Council of Thailand. How then can relations between the two countries be normalized?

Coup Allegations Hurt Image

BK0810135794 Bangkok THE NATION in English
8 Oct 94 p A6

[Article by Yindi Leotcharoenchok: "Festering Coup Allegations Hurting Thailand"]

[FBIS Transcribed Excerpt] [passage omitted]

In an interview early this week with THE NATION, two NSC [National Security Council] officers, whose names were made public by Phnom Penh, accepted that they were in Phnom Penh at the time of the failed coup attempt. But both denied any involvement in the event.

Suphong Sichamnong, an officer who has overseen Cambodian affairs for more than 10 years, said he had flown into Phnom Penh, with a valid Cambodian visa, on July 1 to visit Cambodian friends and left on July 5.

Col Wiwat Witsanuwimon claimed that his direct superior, General Charan, and Prime Minister Chuan Lik-phai had been informed of his regular visits to Cambodia and of his latest controversial trip.

Wiwat said Thai security authorities had learned about the coup bid several months in advance but could not specify the exact date. He claimed that both Chuan and Charan were kept abreast of the information.

Thai authorities, he said, had passed on the information to the Cambodians but that they did not pay attention to it. "We tipped off the Cambodian authorities about the coup plot, but it seemed they paid no attention to it," he said.

Wiwat claimed that he and three other friends, also military officers, travelled to Phnom Penh a few days before the attempted coup to observe the general situation which he described as "ripe for a coup bid at any moment".

According to the colonel, he met Pol Lt Col Adun for the first time in Phnom Penh as they were staying in the same hotel. He claimed that he and his friends were caught off guard when the coup took place, returned to the hotel and decided that they should proceed with an overland journey back to Thailand.

They returned to Thailand in a Mercedes-Benz through a Khmer Rouge-controlled section of the border area, they said.

Wiwat has offered to travel to Phnom Penh to "give the account of my trip and the events leading up to the coup attempt". He believed that the visit could help clear his name as well as General Charan and the National Security Council who have been implicated in the scandal. Cambodian authorities, however, have not yet responded to his overture, he said.

Long Sarin, minister of the Cambodian Embassy in Bangkok, publicly defended Wiwat earlier this week. He said Wiwat was neither involved in the coup attempt nor was the colonel wanted for questioning in Phnom Penh. He, however, declined to name the Thai colonel.

Cabinet Approves Plan To Sell Rice to Iran

BK1210111894 Bangkok Radio Thailand Network in English 0000 GMT 12 Oct 94

[FBIS Transcribed Text] The Ministry of Commerce will sell rice to the Government of Iran in cash and credit. The cabinet yesterday approved the ministry's proposal to export top grade rice to Iran. The Cabinet also allowed the Ministry of Commerce to get LC [letter of credit] cash at sight for half of the amount while another half will be paid in cash. The Ministry of Commerce will export a total of 200,000 tons of rice valued at U.S. \$61 million to Iran. The rice shipment to Iran will be made next month.

Meanwhile, the cabinet approved a revised plan of foreign loans for the fiscal year. The Ministry of Finance got the approval to seek foreign loans up to U.S. \$3,200 million for 26 projects.

Chamlong 'Intervention' Delays Phone Project

BK1210035794 Bangkok THE NATION in English 12 Oct 94 p A2

[FBIS Transcribed Text] Communications Minister Winai Somphong's ambitious plan to install Bt [Thai baht] 38-billion worth of telephone lines hung in the balance yesterday following Phalang Tham Party leader Chamlong Simuang's intervention.

The Cabinet had been expected to discuss the long-delayed, 1.1- million phone expansion project yesterday. It was prepared as the fourth item on the agenda. Because he is to be replaced by ex-banker Wichit Suraphongchai as communications minister following Phalang Tham's reshuffle of its Cabinet line-up, Winai sought the Cabinet's opinion yesterday of whether the project should be considered. His Cabinet colleagues allowed him to go ahead in presenting the project, said Phinit Charusombat, deputy communications minister.

But Democrat Secretary-General Sanan Khachonprasat informed the Cabinet that PDP leader Chamlong had asked in a formal letter for postponement of the Cabinet's decision. Winai was unaware of the request, Phinit added. Winai, clearly disappointed, told reporters Prime Minister Chuan Likphai agreed with him that the project should be taken into the Cabinet's consideration."

Chuan said the decision to delay consideration was not regarded as "external interference", and that normally it is the proponent's decision whether his matter should be withdrawn from the agenda. He added that it is Winai's decision to pull the project out of consideration.

Chamlong had put his request in a secret letter to Sanan, along with a list of new Phalang Tham ministers, according to Winai. "I know the prime minister is worried about the appropriateness of considering the project (at this time) because he had an agreement with the Phalang Tham Party leader," said Winai.

It has been reported that Col Winai and Chamlong have long been at odds. Chamlong didn't agree with Winai's decisions on transport and communications affairs.

Winai made a public apology because the project is being further delayed and because some two million people will again be kept waiting for the phone lines.

A Phalang Tham source said Winai and about a dozen close aides in the party suggested to Chuan before the premier's trip to North America that they will exercise their own opinions independently from other party members over subjects tabled in Cabinet meetings.

Winai is expected to join forces with other outgoing Phalang Tham ministers to undermine Chamlong's

delaying tactic. Winai wants the phone project to be carried out by the two existing private telephone companies, TelecomAsia Corp Plc [Public] and Thai Telephone and Telecommunication Plc.

However, the TOT [Telephone Organization of Thailand] board of directors has objected for fear that it will lose significant income in the long run.

Ministry sources said Chamlong and TOT board members had earlier discussed reviewing the project. Chamlong proposed combining the 1.1-million line project with plans for another six million lines, to be undertaken by a new company that would later be listed on the Stock Exchange of Thailand. Chamlong hopes income from the project can be used to help solve Bangkok's traffic problems.

Editorial Defends Government Policies on Burma

BK0710142394 Bangkok SIAM POST in Thai 7 Oct 94 p 4

[Editorial: "The Displaced Burmese Mob"]

[FBIS Translated Excerpt] The whole world must have been informed about the leaflet accusing Thailand of having inhumanely treated Burmese and Mon refugees. The leaflet was distributed to the news media by displaced Burmese and their sympathizers on 3 October as Prime Minister Chuan Likphai was laying a wreath at the monument for Canadian volunteer soldiers in World War II.

Questioning Thailand's sincerity in dealing with human rights in Burma, the leaflet expressed fear that some of the weapons Thailand will purchase from Canada will be channeled to the Burmese Government, and called on Thailand to clarify its position in connection with the problems in Burma.

The maneuver designed by the mob, comprising representatives of Burmese students and workers in Canada, was intended to paint a totally ugly picture of Thailand. To a certain extent, they have successfully convinced many countries.

The problem facing Thailand during the current era of globalization and information exchange is the negative image of a country under an elected democratic government. This is because the government has never made any attempt to clearly publicize its human rights and humanitarian policies toward the Burmese and Mon refugees. [passage omitted]

With its sense of humanitarianism and human rights, Thailand is still harboring no fewer than 200,000 refugees from Cambodia, Laos, and other countries. It is believed that there is no country in the world as willing to help people from foreign lands.

No other ASEAN countries have been generous enough to allow Tibetan spiritual leader Dalai Lama and other Nobel laureates to use their territory as a forum to

condemn the human rights violations committed by the Burmese military regime and to call for the release of Aung San Suu Kyi.

Thailand should get the credit for the participation of Burmese Foreign Minister Ohn Gyaw in the July ASEAN foreign ministers' meeting despite U.S. disagreement, because it led to the recent friendly meeting, the first in the past five years, between leaders of the Burmese military regime and Aung San Suu Kyi.

Vietnam

Government Leaders Receive Japanese Delegation

BK1110154594 Hanoi VNA in English 1527 GMT 11 Oct 94

[FBIS Transcribed Text] Hanoi VNA Oct. 11—Party General Secretary Do Muoi and Prime Minister (P.M.) Vo Van Kiet received here today on separate occasions Mr. Michio Watanabe, president of the Japan-Vietnam Inter-parliamentary Committee, who arrived here on Oct. 9 for a four-day official visit to Vietnam.

Mr. M. Watanabe reiterated his committee's determination to promote mutual understanding, cultural exchange, friendship and economic cooperation between the two countries.

General Secretary Muoi paid tribute to the contributions made by Mr. Watanabe and his committee to developing the relations between the two countries. He expressed gratitude to the Japanese Government and people for their assistance to Vietnam's economic development and welcomed Japanese investors who have helped Vietnam adapt to technological advances and experience economic management and personnel training.

Prime Minister Vo Van Kiet spoke highly of Mr. Watanabe, a close friend of Vietnam, who has made active contributions to the promotion of the Vietnam-Japan friendship and cooperation. The premier also appreciated Japan's role and contributions to peace, stability and development in the region, particularly its significant initiatives to help Vietnam improve relations with international financial institutions and the US.

P.M. Kiet took the opportunity to express thanks to Japan's parliament, government and people for their warm feeling towards and valuable assistance to the Vietnamese over the past years. He said he hoped that the bilateral friendship and cooperation between the two governments and legislatures would develop to a new pace commensurate to their potentials and positions as well as the trend of peace, stability, cooperation and development in the region.

The two sides openly discussed regional issues of common concern. P.M. Kiet confirmed the Japanese parliamentarians of the opinion that Vietnam, as many other UN member-countries, welcomes and supports Japan's becoming the UN Security Council member.

Leaders Express Gratitude for Aid

*BK1210140094 Hanoi Voice of Vietnam in English
1000 GMT 12 Oct 94*

[Station commentary]

[FBIS Transcribed Text] Vietnamese party General Secretary Do Muoi and Prime Minister Vo Van Kiet met with Mr. Michio Watanabe in Hanoi this week. Mr. Watanabe is President of the Japan-Vietnam Interparliamentary Committee which is on a visit to Vietnam.

Mr. Watanabe has been a close friend of the Vietnamese people. Formerly as Japan's Deputy Prime Minister and then Foreign Minister, Mr. Watanabe made great contributions to the development of friendship between Japan and Vietnam. In his current post as the leader of the Japan-Vietnam Interparliamentary Committee, Mr. Watanabe has been making the same efforts to promote bilateral relationship. The Vietnamese people appreciated his contributions and considered him their close friend.

Speaking at a special reception in Hanoi, party General Secretary Do Muoi and Prime Minister Vo Van Kiet highly valued and thanked Mr. Watanabe and the Japanese Government for their assistance to Vietnam's national reconstruction process. The Vietnamese leaders also appreciated Japan's contributions to peace, stability, and development in the region and their initiative to help Vietnam restore relations with international financial organizations and also with the United States.

President Watanabe expressed his admiration in Hanoi to be back in Vietnam, and to witness a lot of changes. [sentence as heard] He was happy to see the development

of bilateral relations, especially the exchange of visits by government leaders of Japan and Vietnam. Mr. Watanabe said that despite changes in the Japanese Government, its foreign policy, especially the policy toward Vietnam, remains unchanged. In fact, it is even more positive, he said. Mr. Watanabe exchanged views with Vietnamese leaders on the questions of mutual concern.

For his part, Prime Minister Vo Van Kiet said: Like other United Nations members, Vietnam welcomes and supports Japan to become a permanent member of the United Nations Security Council.

Nong Duc Manh Receives Outgoing Thai Ambassador

*BK1210004394 Hanoi VNA in English 1527 GMT
11 Oct 94*

[FBIS Transcribed Text] Hanoi VNA Oct. 11—National Assembly Chairman Nong Duc Manh received here today Thai Ambassador to Vietnam Bunthan Manklang who paid his a farewell visit at the end of his term of office in Vietnam.

Chairman Manh highly valued the contribution made by the Thai diplomat to promoting the friendship and cooperation between the two governments and legislatures in recent years. He noted that the cooperative ties between the two countries have been expanded and the relations between the two legislative bodies have taken new steps.

Ambassador B. Manklang reaffirmed the fine development of the relations between the two legislatures, thus contributing to promoting the friendly and cooperative relations between Thailand and Vietnam.

Australia

Minister 'Strongly Supports' Trade Accord

BK0910145794 Melbourne Radio Australia in English
1100 GMT 9 Oct 94

[FBIS Transcribed Text] Australia's trade minister, Bob McMullan, has again expressed strong support for the establishment of a free trade agreement in the Asia Pacific region. Heads of governments of the Asia Pacific Economic Cooperation group, APEC, including Australia Prime Minister Paul Keating, meet next month in Indonesia to consider establishing a free trade area in the region by the year 2020.

Senator McMullan, who has been attending a preliminary meeting of APEC economic ministers in Indonesia, hopes next month's summit conference will result in a major trade initiative in the region. He said an Asia Pacific Free Trade Area will result in economic stimulation and coupled with ratification of a new world trade agreement would lead to a significant increase in employment.

Evans Reaffirms Commitment to Cambodia

BK1110113894 Melbourne Radio Australia in English
0630 GMT 11 Oct 94

[From the "International Report" program]

[FBIS Transcribed Text] The Australian Government has declared it has no intention of walking away from the problems now evident in Cambodia. The comment by Australia's foreign affairs minister, Gareth Evans, follows the leaking of a cable by a former Australian ambassador to Cambodia which depicts the country as heading for crisis. The cable written in June by former Ambassador John Holloway talks of ineffective leadership in Cambodia, corruption at all levels of society, and an army in disarray. Camille Funnell reports that the leaking of the cable to two Australian newspapers last week has put pressure on Senator Evans and upset others.

[Begin recording] [Funnell] The guerrilla group, the Khmer Rouge [KR], has reacted with anger to John Holloway's cable. Reports from Bangkok say KR radio called the former ambassador a criminal and a madman. What has upset the guerrilla group is John Holloway's recommendation that Canberra should assist the military in Cambodia. John Holloway, who is now special adviser to Cambodia's foreign minister, believes providing military assistance would help counter the KR and would be consistent with Australia's history of helping its neighbors with their struggle against insurgencies. Cambodia appealed for military aid earlier this year. Canberra has yet to make a decision on the issue. Any assistance is likely to be confined to helping with training, but all indications are that no decision will be taken while one Australian remains a hostage of the KR. Questioned about the cable in the Australian Parliament,

Foreign Minister Gareth Evans did not reveal any details about what assistance Australia might give to Cambodia.

[Evans] I have no intention, this government has no intention whatsoever of walking away from the responsibility that the international community has taken for Cambodia, and I believe that just about anyone else around the world that's taken responsible interest in this would take a similar view. The key to the country's future prosperity—its economic growth, the development—that requires security. The alternative or resurgence of the KR is simply too horrible to contemplate.

Details of how we might best respond to the situation which the country finds itself in are still being worked out by a number of countries with whom we've been discussing these things. They will be considered by the Australian Government in due course and I do not pretend to preempt any further decision we might make in this respect for any further comment at this stage.

[Funnell] Senator Evans rejected suggestions from the Australian parliamentary opposition that he has expressed undue confidence in the stability of the Cambodian Government. Responding to a question from opposition Senator Baden Teague, Senator Evans told Parliament his views about Cambodia's future changed a few weeks after his visit to the country in April when the KR recaptured Pailin from Cambodian government troops.

[Evans] Since that happened, I have, in fact, been very careful indeed in all my public statements about the situation in Cambodia. I have often pointed to the fragility and vulnerability of the situation and the need for those of us around the world genuinely committed to the country to be prepared, to be as helpful as we can and as responsible as we can to this new, very difficult phase in the evolution of the country.

I would like to further point out, however, that the cable in question is dated June and it is now October. The sky has not fallen in during the intervening period. I am not entirely clear what Senator Teague or anyone else is really getting so excited about.

I have never made any secret of the fact that a country such as Cambodia, emerging as it is from decades of civil war and the most horrific abuses of human rights, can hardly be expected to turn into a fully functioning democracy overnight.

[Funnell] The minister says both he and John Holloway do share the view that Cambodia's democratically elected government remains the country's best hope for the future. [end recording]

'Big Gas Flow' Reported in Bonaparte Gulf

BK1210082594 Melbourne Radio Australia in English
0500 GMT 12 Oct 94

[FBIS Transcribed Text] A big gas flow has been reported in the Bonaparte Gulf west of Darwin. The

operator of the (Petrel) Joint Venture, (Samcoss), says the development of the area's gas resources has come a big step closer with a flow of nearly 1 million cubic meters [cbm] a day from (Petrel) No. 5. It's the highest flow recorded from the (Petrel) field, some 250 kilometers from Darwin. (Petrel) 5 is the first of two wells appraising the (Petrel) and [word indistinct] field, already estimated to hold nearly 60 billion cbm approved and provable gas reserve. (Samcoss) says the purity of the gas and the field's closeness to Darwin add to the prospects for development.

BRA Leaders Fail To Attend Conference Opening

*LD1010105594 Melbourne Radio Australia in English
1000 GMT 10 Oct 94*

[FBIS Transcribed Text] Leaders of the secessionist movement on the Papua New Guinea [PNG] island of Bougainville have failed to show up today for the opening of a conference aimed at ending their rebellion. However, PNG's Prime Minister, Sir Julius Chan, told the opening session that he expected the BRA's [Bougainville Revolutionary Army] military leader to turn up for later sessions of the conference being held in Bougainville's capital Arawa. Sean Dorney reports:

[Begin Dorney recording] The South Pacific peace-keeping force made a special mission to Solomon Islands yesterday to collect the BRA's military commander, Sam Kaona, and they've made a second trip by Australian Black Hawk helicopter to drop him off at (?Sopuru) village in the jungles of central Bougainville so he could meet with the man he calls his political boss, Francis Ona. Both sent a message out today saying they wouldn't be able to make the opening session.

The hundreds who did turn up gathered under several huge trees at the Arawa high school, where Papua New Guinea's prime minister, Sir Julius Chan said he was satisfied he'd exhausted every avenue to bring Bougainvilleans together for a peace conference. It was now up to them.

The conference chairman, a former Solomon Islands governor general Sir George Lepping, adjourned the conference till tomorrow on the motion of one Bougainville leader, Nick (?Peniai) to give the rebels more time. [end recording]

New Zealand

Government Rocked by Auditor's Resignation

*LD1110121694 Melbourne Radio Australia in English
0900 GMT 11 Oct 94*

[FBIS Transcribed Text] The New Zealand Government has been rocked by the resignation of one of its top officials, the Auditor General, Jeff Chapman.

The resignation was announced in parliament by the speaker, Peter Tapsell, but no details were given. Later

the minister responsible for the Audit Office, Paul East, said a Wellington accountancy firm has been called in to consider if Mr. Chapman owed money to the audit office.

Mr. East declined to confirm New Zealand Television report that the police serious fraud squad was investigating circumstances around Mr. Chapman's resignation. Mr. East said Mr. Chapman had resigned because of his personal financial situation not being compatible with his maintaining the standards of the Auditor General's office.

The government of the prime minister, Jim Bolger, already struggling to stay in office, could be further damaged by the constitutional aspects of Mr. Chapman's resignation.

The Auditor General is responsible for monitoring government spending and monetary supply.

Papua New Guinea

Atmospherics, Fighting, Peace Talks Reported

Five Injured in Bougainville

*BK0910144594 Melbourne Radio Australia in English
100 GMT 9 Oct 94*

[FBIS Transcribed Text] On the troubled Papua New Guinea [PNG] island of Bougainville five people have been shot and wounded on the eve of crucial peace talks aimed at ending a separatist rebellion. Those wounded included three soldiers and two civilians on their way to a water storage tank outside the town of Arawa where the talks are to take place. The shooting came despite the arrival in Bougainville today of a South Pacific peace-keeping force to provide security during the talks. Sean Dorney reports:

[Begin Dorney recording] The five PNG military [words as heard] injured were shot near the water pump station in the hill above Arawa. One was seriously injured and might lose sight in one eye. The rest are being treated at the military field hospital to have shotgun pellets removed.

The cease-fire committee is headed by the Tongan military officer in charge of the ground forces in the South Pacific peacekeeping force, Colonel (Fedro Tupal). Other members represent the Solomon Islands Government, the PNG Government, the PNG Defense Force, the Bougainville Interim Government, and the Bougainville Revolutionary Army. [end recording]

Shooting Causes 'Further Problems'

*BK1210072494 Melbourne Radio Australia in English
0500 GMT 12 Oct 94*

[FBIS Transcribed Text] In Papua New Guinea [PNG], the shooting of a young Bougainville Revolutionary Army [BRA] member near Arawa has caused further

problems for the Bougainville Peace Conference. Sean Dorney reports that according to the wounded man, a PNG Defense Force soldier shot him at (Kabuan) near Arawa where the talks are being held. The BRA member who was shot walked to the South Pacific Peacekeeping Force's medical clinic and he is now in the Arawa field hospital with bullet wounds to one arm and his thigh. The incident has been referred to the Bougainville Cease-fire Committee, but it has already stopped today's promised arrival at the conference of the BRA leaders, Francis Ona and Sam Kauona. After boycotting the first few days of the peace conference because of fears for their personal safety the two men had agreed to attend today's meeting in Arawa.

Earlier, an Australian helicopter was fired upon while operating with the South Pacific Peacekeeping Force. The shots fired at the Black Hawk helicopter caused little damage and no casualties. Australian Defense Forces personnel are providing supplies and logistic support for the South Pacific forces from Fiji, Tonga, and Vanuatu.

BRA on Security Issue

*BK1110025794 Melbourne Radio Australia in English
0100 GMT 11 Oct 94*

[FBIS Transcribed Text] The Bougainville Revolutionary Army [BRA] says it will not attend peace talks with the Papua New Guinea [PNG] Government until, what it calls, security problems in Arawa are addressed. In a radio message to Honiara in Solomon Islands relayed to Sydney, the chairman of the self-styled Bougainville interim government, Joseph Kabui, said the former provincial capital is not a neutral zone.

Mr. Kabui says members of the PNG Defense Force were mingling with members of the South Pacific Peacekeeping Force who are supposed to provide security for the peace conference which began yesterday. He also said the PNG forces were not maintaining static position as agreed to during the initial talks with the PNG Government.

Mr. Kabui made his statement after talks with Francis Ona, the leader of the secessionist movement and Sam Kauona, the military commander of the BRA.

Peacekeepers Arrive

*BK1010114294 Melbourne Radio Australia in English
0500 GMT 10 Oct 94*

[From the "International Report" program]

[FBIS Transcribed Excerpt] After five years of civil war, talks between the Bougainville Revolutionary Army [BRA] and the New Papua Guinea [PNG] Government will be held today in the Bougainville Province, the provincial capital Arawa. The BRA leader Sam Kauona, who withdrew from the talks last week accusing the government of planning a double cross, has now agreed to take part after a Tongan colonel flew to Solomon Islands to assure his safety. However, the arrival on Bougainville of participants in the peace talks has been marked by violence. Five people, including three PNG Defense Force soldiers, were shot outside the capital, one of them seriously. From Arawa Sean Dorney Reports: [passage omitted]

The public relations officer with the South Pacific peacekeeping force, a New Zealander with experience in Somalia, Captain Chris Budge, said any cease-fire breaches would be referred to a cease-fire committee to be headed by the ground forces commander, Tongan Colonel (Fedru Tupal). He said the cease-fire committee would meet every morning before the conference session, began and the hope was that any breaches would not bog down the peace conference itself. [passage omitted]

BRA Leader Arrives for Talks

*BK1010070294 Melbourne Radio Australia in English
0500 GMT 10 Oct 94*

[FBIS Transcribed Text] The leader of the Bougainville Revolutionary Army [BRA], Sam Kauona, has gone to Arawa, capital of Bougainville, for the start of the peace talks today on ending the six-year conflict with the Papua New Guinea [PNG] Government. The BRA military leader had threatened to boycott the talks because of concerns for his personal safety and of doubts that the PNG Government would negotiate seriously. However, after a Tongan colonel in the South Pacific peacekeeping force in Arawa flew to Solomon Islands to reassure Mr. Kauona, he agreed to go to Arawa. He was accompanied by Martin Miriori, the spokesman in Solomon Islands for the self-styled Bougainville Interim Government.

The Australian Defense Force ships, Tobruk and Success, are in Arawa after transporting the South Pacific peacekeeping force which comprises troops from Fiji, Vanuatu, and Tonga. The peace talks are occurring after six years of conflict between the Bougainville secessionists and the PNG Government.

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